MR. BLAINE'S

RAILROAD TRANSACTIONS.

From the New York Evening Post, including

ALL THE MULLIGAN LETTERS.

Nort. Pac. R.R.

THE NEW YORK

Evening Post,

Edited by E. L. Godkin and Horace White, contains all the news of the day, domestic and foreign, received to within a few minutes of publication, including telegrams from special correspondents in the leading cities, as well as the usual despatches of the Associated Press; its financial reports and comments have long been a recognized authority, and include the closing quotations in full of the Exchanges, with the most complete financial and commercial reports in detail furnished by any evening journal; its columns of literature, art, music and the drama are conducted by competent specialists; its facilities are complete in all departments, and it now contains a greater amount and variety of reading matter than any other evening paper published in New York City. The issue of Saturday always includes a supplement, containing choice selections from leading foreign and domestic periodicals, etc.

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THE EVENING POST, *210 Broadway, New York.*

THE BLAINE BOOM.

[*From the Evening Post, April 7, 1884.*]

A CORRESPONDENT desires some explanation of what he considers the slighting or hostile references to Mr. James G. Blaine which so frequently appear in the EVENING POST, and which he suspects must be, in some degree at least, the product of private malice. We think he is entitled, as are our readers generally, to some such explanation, and we shall proceed to make it cheerfully, starting, however, with the assertion that no editor or other person connected with the EVENING POST in any capacity has, to our knowledge, had any difference, quarrel, or controversy with Mr. Blaine, or has ever received any injury from him whatever, or bears him any personal grudge. Whenever he is discussed in these columns he is discussed either as the holder of a public office or as a candidate for a public office. Nor do we make any reference to his private affairs except when those affairs have or appear to have a direct and important relation to his character and claims as a public man. In fact, all our comments on him and his doings are due to the fact that we consider his reappearance as a candidate for the highest office in the Government, or any other, as an audacious proceeding, which can only be accounted for by supposing him to have an extraordinary and unwarrantable confidence in the popular forgetfulness. It is the duty of all those who do not wish to see the Republican party burdened during the canvass next summer with the hopeless task of whitewashing him to set forth briefly, now that his boom is becoming so lively, the charges which he will have to answer before he can be elected to the Presidency. It would be lamentable indeed, and certainly disastrous, if the task prescribed for Republican journalists by the Convention should be not the discussion of great questions of public policy, like the tariff, or the civil service, or the railroads, or the currency, but laborious examinations of Mr. James G. Blaine's railroad transactions. We mean, as far as we are concerned, to avoid this, if we can, by taking up his railroad transactions now, before the bustle and excitement of the canvass begins.

The first of these charges is that in the spring session of Congress in 1869 a bill was before the House of Representatives which sought to renew a land grant to the Little Rock and Fort Smith Railroad of Arkansas, in which some of Mr. Blaine's friends were interested; that an attempt to defeat it by an amendment was made, and was on the point of being successful, and its promoters were in despair; that at this juncture Mr. Blaine, being then Speaker of the House, sent a message to General Logan to make the point of order that the amendment was not germane to the purposes of the bill; that this point of order was accordingly raised and promptly sustained by Mr. Blaine as Speaker, and the bill was in this manner saved; that Mr. Blaine wrote at once to the promoters calling attention to the service he had rendered them, and finally, after some negotiations, secured from them, as a reward for it, his appointment as selling agent of the bonds of the road, on commission, in Maine, and received a number of such bonds as his percentage; that the leading features of this transaction appeared in two letters of his afterward made public, dated respectively June 29 and October 4, 1869.

Second, that he asserted at first on the floor of the House, with the view of covering up this affair, that the Little Rock and Fort Smith Road "derived its life, franchise, and value wholly from the State," and not from Congress; whereas the evidence subsequently taken by the Congressional Committee disclosed the fact that the road derived the value on which these bonds were based from the act of Congress of which Mr. Blaine secured the passage, in the manner above described in 1869; that he asserted on the floor of the House that the bonds he received "were bought by him at precisely the same rate as others paid," whereas the evidence showed that the bonds came to him as commissions on sales, which he secured the opportunity of making through his aid given to the work in Congress, and that he solicited this agency, basing his request on the aid so given, and that he paid nothing whatever for the bonds, the consideration being his ruling as Speaker and his subsequent efforts to sell them. What he did with these bonds—seventy-five in number—is uncertain; but strong, though not conclusive, evidence was produced going to show that they were taken off his hands at a good price by the Union Pacific Railroad (through the instrumentality of one Caldwell), which then also was in trouble. The investigation on this point was never pushed home owing to the sudden illness which overtook Mr. Blaine in 1876.

Third, that Mr. Blaine in 1870 made an offer, as appeared by his own letters to one of his railroad friends, Mr. Warren Fisher, of Boston, to sell him a half of one-twenty-fourth interest in the Northern Pacific Railroad, immediately after Jay Cooke's contract "had been perfected, and the additional legislation had been obtained," he having, he said, come into control of this interest "by a strange revolution of circumstances"; that the amount of stock which this would represent, he said, would be $425,000, and the number of acres of land "nearly 275,000." "The chance," he said, "was a very rare one; he couldn't touch it," but he offered it to Mr. Fisher for $25,000; that Mr. Fisher accepted it and paid the money, but for some unexplained reason the stock was never delivered, and Mr. Blaine subsequently returned the amount. This transaction was a very peculiar one for the following reasons:

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It appears from acts of Congress relating to the road, none of which are of older date than July 2, 1864, that the authorized stock was $100,000,000, with a land grant, estimated by the Commissioners of Public Lands at 47,000,000 acres, or 74,423 square miles. The line of the road was 2,000 miles long; and at the time of Blaine's letter to Fisher, it was, he says, being built on bonds at $25,000 a mile, which would have made a bonded debt of $50,000,000. Mr. Blaine, as member of Congress and Speaker of the House, must be taken to have known about the circumstances of the road, and there, therefore, seems no escape from the conclusion that his offer was based on the expectation that he would receive almost as a gift a share in an enterprise dependent for its value on legislation in which he had taken part. Mr. Blaine's defence in the case of this transaction consisted at first of a denial that he had ever had any transaction with the road at all, but he afterward rested on the fact that he had no pecuniary interest in the transfer, and that it was never actually made; but though this might be a defence to suit against him for conspiracy to defraud purchasers of the stock, it does not affect in any way the nature of the offer. His relations with Warren Fisher were in 1870, as appeared from the evidence, such that any favor done the latter, or gift presented to him, had a direct pecuniary value.

Fourth. Because he obtained certain letters, which there is every reason to believe contained matter gravely compromising him, from a perfectly reputable witness, Mr. Mulligan, who was the proper and lawful custodian of them, after having vainly tried appeals to his pity, by pledging his word of honor to restore them, then broke this pledge, retained them by force, and subsequently read such of them as he pleased to the House in aid of his vindication; that this conduct, if not legally criminal, was such as no man aspiring to be the Chief Magistrate of a great nation ought to be even suspected of.

Fifth. That both his short service as an executive officer of the Government and the various efforts he has made during the past eight years to keep the public in mind of him, have been sensational and theatrical, indicating a strong love of notoriety and an absence of the settled convictions, the sober judgment, and the steadiness of character which are needed to make him a safe occupant of any high or responsible administrative office; and that the means by which his booms are started and promoted, of which the manner in which his "history" has recently been heralded and produced is a good example, bear too close an approach to the advertising devices of a circus or other public show, to make the candidacy of any person resorting to them anything but a humiliation for the party producing him.

Lastly, it seems to us emphatically the duty of the independent voters to repress in some signal way the rapidly growing practice of packing conventions under the personal superintendence of candidates for the Presidency. It is of comparatively recent date. It is only a very few years since Mr. Tilden excited the horror of the Republican press by taking charge of his own canvass, and starting a "literary bureau" to supply puffs of himself to the newspapers. Since then it has grown apace and it now excites no surprise to hear that any candidate is actively engaged in using his powers of intrigue, chicane, and corruption to secure the election of delegates all over the Union, pledged either openly or secretly to act under his orders at the Convention, and if casting votes for him will do no good, to cast them in such a way as to enable him to carry out any bargain or "deal" with any other candidate which it may have pleased him to make. The nominating Convention has already, through its size, as well as for other reasons, lost nearly all semblance of a deliberative body, but it has not yet become wholly the product of "subsoiling" carried on by the various candidates themselves. In this art of packing conventions Mr. Blaine is now the greatest master in the country. His success would make this art almost the only one which American statesmen would hereafter cultivate, or would apparently need to cultivate. It is high time, therefore, that he and his disciples were made to understand that it is not by such little games that the Presidency is to be won.

LETTER OF WILLIAM WALTER PHELPS.

[*From the Evening Post, April 26, 1884.*]

TO THE EDITOR OF THE EVENING POST.

SIR: On April 7 you made formal charges against James G. Blaine. They are the same which were made eight years ago, and which were, I think, at that time satisfactorily answered. Lest others, however, may, like yourself, have forgotten everything except the misstatements, you must permit me to remind you of the facts. I think I may claim some qualifications for the task. I have long had a close personal intimacy with Mr. Blaine, and during many years have had that knowledge and care of his moneyed interests which men absorbed in public affairs are not inapt to devolve upon friends who have had financial training and experience. I do not see how one man could know another better than I know Mr. Blaine, and he has to-day my full confidence and warm regard. I am myself somewhat known in the city of New York, and think I have some personal rank with you and your readers. Am I claiming too much in claiming that there is not one among you who would regard me as capable of an attempt to mislead the public in any way? With this personal allusion—pardonable, if not demanded under the circumstances—I proceed to consider your charges.

The first charge is really the one upon which all the others hinge. I give it in full and in your own language, only italicizing some of your words, in order that my answer may be the clearer. You say:

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Blaine wrote at once to the promoters calling attention to the service he had rendered them, and finally, after some negotiations, secured from them, as a reward for it, his appointment as selling agent of the bonds of the road, on commission, in Maine, and received a number of such bonds as his percentage; that the leading feature of this transaction appeared in two letters of his afterward made public, dated respectively June 29 and October 4, 1869."

Your error is in the facts. Mr. Blaine's friends were not connected with the Fort Smith and Little Rock Road at the time of the passage of this bill. Those to whom you refer as his friends were Caldwell and Fisher. The bill passed in April, 1869. In April, 1869, Mr. Blaine did not know that there was any such man as Caldwell; and Fisher, who was Mr. Blaine's friend, did not know that there was any such enterprise as the Little Rock Railroad in the world. The evidence of these assertions was before Congress, was uncontradicted, and is within your reach. On the 29th of June, nearly eighty days after Congress had adjourned, Mr. Blaine, from his home in Maine, wrote to Fisher, and spoke of Fisher's "offer to admit him to a share in the new railroad enterprise." Fisher had introduced the subject to Mr. Blaine for the first time a week before at the great music festival at Boston. He told him there that Mr. Caldwell, whom Mr. Blaine had not yet seen, had now obtained control of the enterprise and had invited Fisher to join him. At that time Fisher was a sugar refiner of considerable wealth in Boston, had been a partner of Mr. Blaine's brother-in-law, and through him had made Mr. Blaine's acquaintance. The offer Mr. Blaine refers to in his letter was Fisher's offer to induce Caldwell, if he could, to let Mr. Blaine have a share in the bed rock of the enterprise. Mr. Fisher failed to do this, and Mr. Blaine never secured any interest in the building of the Fort Smith and Little Rock Railroad.

What interest, then, did Mr. Blaine obtain? An interest in the securities of the company. How? By purchase, on the same terms as they were sold on the Boston market to all applicants: sold to Josiah Bardwell, to Elisha Atkins, and to other reputable merchants. He negotiated for a block of the securities, which were divided, as is usual in such enterprises, into three kinds—first-mortgage bonds, second-mortgage bonds, and stock. The price, I think, was *three for one.* That is, the purchaser got first-mortgage bonds for his money, and an equal amount of second-mortgage or land-grant bonds and of stock thrown in as the basis of possible profit. I may be mistaken as to the price, but I think not. I went myself at this time into several adventures of the kind on that ratio, and have always understood that Senator Grimes and his friends got their interests in the Burlington and Missouri Road, a branch of the Union Pacific, on the same basis of three for one. It was the common ratio in that era of speculation. Mr. Blaine conceived the idea that he might retain the second-mortgage bonds as profit and sell the first-mortgage bonds with the stock as a bonus. He believed the first-mortgage bonds were good, and he disposed of them to his neighbors in that faith and with the determination to shield them from loss in case of disaster. Disaster came. The enterprise, like so many others of the kind, proved a disappointment and the bonds depreciated. Mr. Blaine redeemed them all. In one or two cases only had he given a guarantee. In none other was there any legal obligation, but he recognized a moral claim and he obeyed it to his own pecuniary loss. I cannot but feel that the purchasers of these bonds would have fared worse had they been compelled to look to many of those who have sought to give an odious interpretation to Mr. Blaine's honorable conduct. The arrangement for the purchase of the block of securities was made in June or July. The sales of the first-mortgage bonds out of the block were continued through the months of July, August, and September, 1869. The transaction was nearly closed when, in the letter of October 4, Mr. Blaine wrote to Fisher and told him the parliamentary story of the 9th of April. Mr. Blaine had come across it while looking over the *Congressional Globe*, with a natural curiosity to see what had been his decisions during the first six weeks of his Speakership, and he wrote of it to Fisher as an item in the legislative history of the enterprise into which they had both subsequently entered. It concerned a bill to renew a land grant, made long before the war, to the Little Rock and Fort Smith Railroad. The bill had passed the Senate without opposition, and there was no one objecting to it in the House, but the advocates of the Memphis, El Paso and Pacific Railway Bill sought to attach their bill to it as an amendment. This El Paso Bill was known at the time as General Fremont's scheme, and had been urged upon Congress before. It was unpopular, and was openly opposed by General Logan. Wedded to the Little Rock Bill it would gain strength, but the Little Rock Bill would lose strength, and a just measure, universally approved, would be killed in the effort to pull through with it this objectionable measure, which was generally disapproved. Mr. Blaine's letter to Fisher will tell the rest of the story. He wrote: "In this dilemma, Roots, the Arkansas member, came to me to know what on earth he could do under the rules, for he said it was vital to his constituents that the bill should pass. I told him that the amendment was entirely out of order because not germane, but he had not sufficient confidence in his knowledge of the rules to make the point. But he said General Logan was opposed to the Fremont scheme, and would probably make it. I sent my page to General Logan with the suggestion, and he at once made the point. I could not do otherwise than sustain it, and so the bill was freed from the mischievous amendment and at once passed without objection." Mr. Blaine added these very significant words: "*At that time I had never seen Mr. Caldwell, but you can tell him that without knowing it* I did him a great favor. . . . I thought the point would interest both you and Mr. Caldwell, *though occurring before either of you engaged in the enterprise.*"

This seems, Mr. Editor, to dispose of your first charge. The bill was a just one and Mr. Blaine's friends had no interest in it when it passed the House. Eighty days after the House adjourned Mr. Blaine asked his friends, who had in the meantime taken hold of the enterprise, and had offered him some interest, to let him in as a partner. They refused. They did, however, sell him a block of securities on the same terms they sold them to

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What interest, then, did Mr. Blaine obtain? An interest in the securities of the company. How? By purchase, on the same terms as they were sold on the Boston market to all applicants: sold to Josiah Bardwell, to Elisha Atkins, and to other reputable merchants. He negotiated for a block of the securities, which were divided, as is usual in such enterprises, into three kinds—first-mortgage bonds, second-mortgage bonds, and stock. The price, I think, was *three for one*. That is, the purchaser got first-mortgage bonds for his money, and an equal amount of second-mortgage or land-grant bonds and of stock thrown in as the basis of possible profit. I may be mistaken as to the price, but I think not. I went myself at this time into several adventures of the kind on that ratio, and have always understood that Senator Grimes and his friends got their interests in the Burlington and Missouri Road, a branch of the Union Pacific, on the same basis of three for one. It was the common ratio in that era of speculation. Mr. Blaine conceived the idea that he might retain the second-mortgage bonds as profit and sell the first-mortgage bonds with the stock as a bonus. He believed the first-mortgage bonds were good, and he disposed of them to his neighbors in that faith and with the determination to shield them from loss in case of saster. Disaster came. The enterprise, like so ny others of the kind, proved a disappointment d the bonds depreciated. Mr. Blaine redeemed them all. In one or two cases only had he given a guarantee. In none other was there any legal obligation, but he recognized a moral claim and he obeyed it to his own pecuniary loss. I cannot but feel that the purchasers of these bonds would have fared worse had they been compelled to look to many of those who have sought to give an odious interpretation to Mr. Blaine's honorable conduct. The arrangement for the purchase of the block of securities was made in June or July. The sales of the first-mortgage bonds out of the block were continued through the months of July, August, and September, 1869. The transaction was nearly closed when, in the letter of October 4, Mr. Blaine wrote to Fisher and told him the parliamentary story of the 9th of April. Mr. Blaine had come across it while looking over the *Congressional Globe*, with a natural curiosity to see what had been his decisions during the first six weeks of his Speakership, and he wrote of it to Fisher as an item in the legislative history of the enterprise into which they had both subsequently entered. It concerned a bill to renew a land grant, made long before the war, to the Little Rock and Fort Smith Railroad. The bill had passed the Senate without opposition, and there was no one objecting to it in the House, but the advocates of the Memphis, El Paso and Pacific Railway Bill sought to attach their bill to it as an amendment. This El Paso Bill was known at the time as General Fremont's scheme, and had been urged upon Congress before. It was unpopular, and was openly opposed by General Logan. Wedded to the Little Rock Bill it would gain strength, but the Little Rock Bill would lose strength, and a just measure, universally approved, would be killed in the effort to pull through with it this objectionable measure, which was generally disapproved. Mr. Blaine's letter to Fisher will tell the rest of the story. He wrote: "In this dilemma, Roots, the Arkansas member, came to me to know what on earth he could do under the rules, for he said it was vital to his constituents that the bill should pass. I told him that the amendment was entirely out of order because not germane, but he had not sufficient confidence in his knowledge of the rules to make the point. But he said General Logan was opposed to the Fremont scheme, and would probably make it. I sent my page to General Logan with the suggestion, and he at once made the point. I could not do otherwise than sustain it, and so the bill was freed from the mischievous amendment and at once passed without objection." Mr. Blaine added these very significant words: "*At that time I had never seen Mr. Caldwell, but you can tell him that without knowing it* I did him a great favor. . . . I thought the point would interest both you and Mr. Caldwell, *though occurring before either of you engaged in the enterprise.*"

This seems, Mr. Editor, to dispose of your first charge. The bill was a just one and Mr. Blaine's friends had no interest in it when it passed the House. Eighty days after the House adjourned Mr. Blaine asked his friends, who had in the meantime taken hold of the enterprise, and had offered him some interest, to let him in as a partner. They refused. They did, however, sell him a block of securities on the same terms they sold them to

others, and it proved an unfortunate purchase, for he sold them out among his friends, believing them valuable, and took them all back when they depreciated in value. The letter of Mr. Blaine, written long after the transaction, is his complete vindication. To give it a semblance of evil you assign a date to it six months before it was actually written. The late Judge Black, after an investigation of the whole subject, declared in his characteristic style that "Mr. Blaine's letter proved that the charge [which you repeat against him] was not only untrue but impossible, and would continue so to prove until the Gregorian Calendar could be turned around and October made to precede April in the stately procession of the year."

Your second charge consists of two parts. The first part is that Mr. Blaine wrongfully asserted that "the Little Rock and Fort Smith Road derived its life and value and franchise wholly from the State' [of Arkansas], and not from Congress; whereas the evidence subsequently taken disclosed the fact that the road derived the value on which these bonds were based from the Act of Congress of which Mr. Blaine secured the passage." It will be found that you have inaccurately quoted Mr. Blaine's language, or rather that you put language into his mouth which he never used. What Mr Blaine did say was, "The railroad *company* derived its life, value, and franchises from the State of Arkansas." And Mr. Blaine stated the precise truth. What are the facts? More than thirty years ago Congress granted to the States of Missouri and Arkansas a certain quantity of public lands to aid in the construction of certain lines of railway. The franchises which should be granted to the companies that should build the road were expressly left by Congress to the Legislatures of the States. Mr. Blaine spoke, therefore, with absolute precision of language, as he usually does, when he stated that "the Little Rock Railway Company derived its life, value, and franchises wholly from the State of Arkansas," just as the Illinois Central Railroad Company derives its life, value, and franchises from the State of Illinois, though enriched by a land grant from the United States, just as the Little Rock Road was.

The second part of your second charge is, that Mr. Blaine did not speak truthfully when he asserted that he bought the bonds "at precisely the same rate as others paid." There is no evidence anywhere to sustain this accusation. I have already said any person could negotiate for them on the one-for-three basis just as Mr. Blaine did, and many availed themselves of the opportunity. The price paid was not in the least affected by the fact that Mr. Blaine had already arranged to sell the securities at a higher price than he paid for them. He did this with the determination, honorably maintained, that he would make good any loss which might accrue to the purchasers. These sales did not change the price paid to Fisher, and the proof that they did not is found in the fact that Mr. Blaine paid it to him in full. You speak in this connection of Mr. Blaine's being appointed an agent to sell the bonds of the company. No such appointment was ever made and no evidence suggests it. Mr. Blaine negotiated for his securities at a given price, which was paid in full to Mr. Fisher.

Your third formal charge relates to an alle connection of Mr. Blaine with a share in Northern Pacific enterprise. You charge thi the face of the fact that in Mr. Blaine's let in which you find the subject referred to, his distinct asseveration that he could not himself touch the share. Have you seen any evidence that he did? I have not. The Northern Pacific Railroad Company has been organized and reorganized, and recently reorganized a second time. Its records of ownership and interest have passed under the official inspection of at least a hundred men, many of whom are political enemies and some of whom are to my knowledge personal enemies of Mr. Blaine, and there has never been a suggestion or hint from any of these that in any form whatever Mr. Blaine had the remotest interest in the Northern Pacific Company. If one your associates has such evidence, it is right t he should produce it.

Your fourth charge is, that after Mr. Blaine possession of the so-called Mulligan letters, subsequently read such of them as he pleased the House in aid of his vindication." The ans is that Mulligan's memorandum of the letters which he had numbered and indexed each one them, was produced, and number and index cor sponded exactly with the letters read. This fully demonstrated on the floor of the House, a is a part of its records.

You repeat the charge that Mr. Blaine receiv a certain sum from the Union Pacific Railw Company for seventy-five bonds of the Little Ro Road. You say this without a particle of pro You say it against the sworn denial of Thomas Scott, who was the party alleged to have made negotiation. You say it against the written denial of Mr. Sidney Dillon, President of the company; against the written denial of E.H.Rollins, Treasurer of the company; against the written denial of Morton, Bliss & Company. through whose banking-house the transaction was alleged to have been made. Against this mountain of direct and positive testimony from every one who could by any possibility have personal knowledge of the alleged transaction, you oppose nothing but hearsay and suspicion as the ground of a serious charge against the character of a man long eminent in public life. The courtesy which admits me to your columns prevents my saying what I think of your recklessness in this matter.

Your fifth charge arraigns Mr. Blaine's policy as an executive officer, and your last charge is that of his packing conventions in his own favor. I do not desire to dwell upon either. This is not the place to review his foreign policy to which you refer, and I am content to remark that however much some Eastern journals may criticise, it is popular with a large majority of the American people. It is simply an American policy, looking to the extension of our commerce among the nations of this continent, and steadily refraining from European complications of every character.

The charge of packing conventions needs no answer. This is the third Presidential campaign in which Mr. Blaine has been undeniably the choice of a large proportion of the Republican party. In each of them he has had the active opposition the National Administration, with the use of patronage against him. Mr. Blaine has control

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no patronage. He has no Machine. Machine and patronage have been persistently against him. Whatever prominence he has enjoyed has been conferred by the people. He has no means, not open to every citizen, of influencing public opinion. No campaign in his favor originated elsewhere than among the people. He has never sought office. He never held a position to which he was not nominated by the unanimous voice of his party. He has not sought the Presidency. Circumstances made him a candidate in 1876, almost before he was aware of it. In 1880 he did not wish to enter the canvass. I was one of a small party of intimate friends who, in a long conference in February, 1880, persuaded him that it was his duty. He has done nothing to make himself a candidate this year. He has asked no man's support. He has written no letters, held no conversations, taken no steps looking to his candidacy. He has never said to his most intimate friends that he expected or desired the nomination.

If, upon a review of the whole case, you should charge that it would have been better and wiser for Mr. Blaine to have refrained from making any investment in a railroad that had directly or indirectly received aid from the legislation of Congress, I should be ready to agree with you, not because the thing was necessarily wrong in itself, but because it is easy for such matters to be so represented as to appear wrong. But why should Mr. Blaine be selected for special reprobation and criticism when so many other Senators and Representatives have been similarly situated? I know of my own knowledge that Governor Morgan, Mr. Samuel Hooper, Senator Grimes, and many of my friends while in Congress acquired and held interests in such enterprises; and neither you nor I nor the people suspected the transaction to be wrong, or that it gave them an advantage over other investors. Why entertain and publish that suspicion against Mr. Blaine alone? When I sat as a delegate-at-large in the last National Convention, Senator Edmunds and Senator Windom were both candidates for the Presidency, and I should gladly have supported either. Senator Edmunds was understood to have a block of Burlington and Missouri securities, and Senator Windom had not only a block in the securities of the Northern Pacific Company, but was one of its directors. Yet you find no fault with these gentlemen. Nor would you and I differ in giving the highest rank to Senator Grimes; but both he and Senator Edmunds acquired their interests in the Burlington and Missouri Road when they were in the Senate. They both supported the bill to restore the land grant to their road. It was passed on the same day with the Little Rock Bill. Both measures were just, and both were passed in the House and Senate without a dissenting vote Why must we suspect that Mr. Blaine had a secret and corrupt motive, and that other members and Senators had none?

Let me add a circumstance which seems to me to be not only significant but conclusive of Mr. Blaine's conscious innocence in this Fort Smith transaction. He voluntarily made himself a party of record in a suit against the Fort Smith and Little Rock Railway Company, in the United States Circuit Court, which involved the nature and sources of his ownership in the property. This was before he was named for the Presidency. If he had obtained this ownership dishonorably, would he have courted this publicity?

I have thus ventured, Mr. Editor, to make answer to the charges you have brought against Mr. Blaine. There are other charges equally baseless which I have read, but in other papers, so that I may not claim your space to deny or answer them. I give two examples. Mr. Blaine is represented as the possessor of millions, while I personally know that he was never the possessor of the half of one million. He was represented as living for the past ten years in palatial grandeur in Washington. He sold that palatial mansion, with all its furniture, to Mr. Travers for $24,500, and got all that it was worth. But you are responsible only for such charges as you have made, and I have, therefore, made answer to them authoritatively over my own name, and I challenge denial of any substantial fact I have stated. Your attacks are not on Mr. Blaine alone; they are on his friends as well, and these are certainly a larger and more devoted body of supporters than can be claimed by any other man in public life. It seems to me, as I recall those in every station who are proud to be numbered among them, that I recognize many of the ablest, truest, and most honorable of our countrymen.

WM. WALTER PHELPS.

WASHINGTON, April 23, 1884.

MR BLAINE'S RAILROAD TRANSACTIONS.

[*From the Evening Post, April* 26, 1884.]

EVERYBODY who knows Mr. William Walter Phelps knows that he is a warm and devoted friend; indeed, he has "a talent for friendship." The fact that a politician is in "trouble" does not freeze the current of his sympathy. It is only a few weeks since he proposed to take even poor Keifer to his bosom. It is not surprising, therefore, that he should, though after three weeks' delay, have come to the rescue of Mr. Blaine, whose ardent supporter and admirer he has always been. But we think we can make it clear that he would have been a wiser and more judicious friend if he had let the matter alone. The natural thing, under the circumstances, for Mr. Phelps to do, was to print the documentary evidence on which Mr. Blaine's character had been assailed. We shall now, in spite of the heavy demands it makes on our space, do it for him, adding such comments as may be necessary. He will not find it pleasant reading, and much of it will apparently be new to him.

The story about Mr. Blaine's connection with the Little Rock and Fort Smith Railroad had been floating about a good deal in the spring of 1876. So he met it in the House in this fashion, April 25th of that year, admitting that he held bonds of the road:

"As to the question of the propriety involved in a member of Congress holding an investment of this kind, it must be remembered that the lands were granted to the State of Arkansas, and not to the railroad company, and that the company derived its life, franchise, and value wholly from the State, and to the State the company is amenable and answerable, *and not in any sense to Congress.* Since I purchased the bonds but one act of Congress has passed in any way touching the sub-

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ject, and that was merely to rectify a previous mistake in legislation. . . .

"In the seven intervening years since Little Rock and Fort Smith bonds were placed on the market, I know few investments that have not been more affected by the legislation of Congress. But this case does not require to be shielded by any such comparisons or citations; for I repeat that the *Little Rock Road derived all that it had from the State of Arkansas, and not from Congress.* It was in the discretion of Congress to give or withhold from the State, but it was solely within the discretion of the State to give or withhold from the Little Rock Railroad Company."

This statement was accepted by the public generally as a conclusive answer to the charge against Mr. Blaine. It continued to be so considered till June 7, 1876, when the investigation and the publication of his letters revealed the amazing fact that it was not true; that the franchises and securities of the Little Rock and Fort Smith Railroad had no value unless the land grant to the State, which was in danger of lapsing, were renewed by act of Congress. Mr. Blaine not only knew this in 1876, but knew it in 1869. In that year Mr. Warren Fisher took a contract to build the road, with the aid of the land grant, of course. That he was directly interested in getting the act passed which was to provide the money to pay the cost, is highly probable, though not proved. The date on which he made the offer to Mr. Blaine of a share in the enterprise does not appear in the evidence, but it must have been made very soon after the passage of the bill (April 9) and the making of the contract, as appears by the following letter:

"AUGUSTA, June 29, 1869.

"MY DEAR MR. FISHER: I thank you for the article from Mr. Lewis. It is good in itself, and will do good. He writes like a man of large intelligence and comprehension. Your offer to admit me to a participation in the new railroad enterprise is in every respect as generous as I could expect or desire. I thank you very sincerely for it, and in this connection I wish to make a suggestion of a somewhat selfish character. It is this: You spoke of Mr. Caldwell's offer to dispose of a share of his interest to me. If he really desires to do so, I wish he would make the proposition definite, so that I could know just what to depend on. Perhaps if he waits till the full development of the enterprise, he may grow reluctant to part with the share; and I do not by this mean any distrust of him. I do not feel that I shall prove a deadhead in the enterprise if I once embark in it. I see various channels in which I know I can be useful.

"Very hastily and sincerely your friend,

"JAMES G. BLAINE.

"Mr. Fisher, India Street, Boston."

He recurs to the subject a few days later:

"AUGUSTA, Me., July 2, 1869.

"MY DEAR MR. FISHER: You ask me if I am satisfied with the offer you made me of a share in your new railroad enterprise? Of course I am more than satisfied with the terms of the offer; I think it a most liberal proposition. If I hesitate at all, it is from considerations in no way connected with the character of the offer. Your liberal mode of dealing with me in all our business transactions of the past eight years has not passed without my full appreciation. What I wrote you on the 29th was intended to bring Caldwell to a definite proposition. That was all. I go to Boston by the same train that carries this letter, and will call at your office to-morrow at 12 M. If you don't happen to be in, no matter; don't put yourself to any trouble about it. Yours, J. G. B.

"Mr. Fisher, jr."

Fisher was then proposing to assign his contract to Caldwell, but did not actually do so till September following. Mr. Blaine waited all summer for a "definite proposition" from Caldwell, but none came. So he proceeded to refresh his memory and Fisher's, as follows:

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It will be seen from this that he had been already talking of this "point of interest" to Fisher, but was eager to bring it to Caldwell's notice. So he wrote again on the same day, this time speaking of the bill frankly as "your (Fisher's) bill." At this date, Mr. Phelps evasively says, "the transaction was nearly closed." It may have been, but Mr. Blaine's expectations were not closed:

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"MY DEAR MR. FISHER: Find enclosed contracts of the parties named in my letter of yesterday. The remaining contracts will be completed as rapidly as circumstances will permit. I enclose you a part of the *Congressional Globe* of April 9, containing the point to which I referred at some length in my previous letter of to-day. *You will find it of interest to read it over and see what a narrow escape your bill made on that last night of the session.* Of course it was my plain duty to make the ruling when the point was once raised. If the Arkansas men had not, however, happened to come to me when at their wits' ends and in despair, the bill would undoubtedly have been lost, or at least postponed for a year. I thought the point would interest both you and Caldwell, though occurring before either of you engaged in the enterprise. I beg you to understand that I thoroughly appreciate the courtesy with which you have treated me in this railroad matter, but your conduct toward me in business matters has always been marked by unbounded liberality in past years, and of course I have naturally come to the conclusion to expect the same of you now. You urge me to make as much as I fairly can out of the arrangement into which we have entered. It is natural that I should do my utmost to this end. *I am bothered by only one thing, and that is definite and expressed arrangements with Mr. Caldwell. I am anxious to acquire the interest he has promised me. But I do not get a definite understanding with him as I have with you.* I shall be in Boston in a

ject, and that was merely to rectify a previous mistake in legislation. . . .

"In the seven intervening years since Little Rock and Fort Smith bonds were placed on the market, I know few investments that have not been more affected by the legislation of Congress. But this case does not require to be shielded by any such comparisons or citations; for I repeat that the *Little Rock Road derived all that it had from the State of Arkansas, and not from Congress.* It was in the discretion of Congress to give or withhold from the State, but it was solely within the discretion of the State to give or withhold from the Little Rock Railroad Company."

This statement was accepted by the public generally as a conclusive answer to the charge against Mr. Blaine. It continued to be so considered till June 7, 1876, when the investigation and the publication of his letters revealed the amazing fact that it was not true; that the franchises and securities of the Little Rock and Fort Smith Railroad had no value unless the land grant to the State, which was in danger of lapsing, were renewed by act of Congress. Mr. Blaine not only knew this in 1876, but knew it in 1869. In that year Mr. Warren Fisher took a contract to build the road, with the aid of the land grant, of course. That he was directly interested in getting the act passed which was to provide the money to pay the cost, is highly probable, though not proved. The date on which he made the offer to Mr. Blaine of a share in the enterprise does not appear in the evidence, but it must have been made very soon after the passage of the bill (April 9) and the making of the contract, as appears by the following letter:

"AUGUSTA, June 29, 1869.

"MY DEAR MR. FISHER: I thank you for the article from Mr. Lewis. It is good in itself, and will do good. He writes like a man of large intelligence and comprehension. Your offer to admit me to a participation in the new railroad enterprise is in every respect as generous as I could expect or desire. I thank you very sincerely for it, and in this connection I wish to make a suggestion of a somewhat selfish character. It is this: You spoke of Mr. Caldwell's offer to dispose of a share of his interest to me. If he really desires to do so, I wish he would make the proposition definite, so that I could know just what to depend on. Perhaps if he waits till the full development of the enterprise, he may grow reluctant to part with the share; and I do not by this mean any distrust of him. I do not feel that I shall prove a deadhead in the enterprise if I once embark in it. I see various channels in which I know I can be useful.

"Very hastily and sincerely your friend,

"JAMES G. BLAINE.

"Mr. Fisher, India Street, Boston."

He recurs to the subject a few days later:

"AUGUSTA, Me., July 2, 1869.

"MY DEAR MR. FISHER: You ask me if I am satisfied with the offer you made me of a share in your new railroad enterprise? Of course I am more than satisfied with the terms of the offer; I think it a most liberal proposition. If I hesitate at all, it is from considerations in no way connected with the character of the offer. Your liberal mode of dealing with me in all our business transactions of the past eight years has not passed without my full appreciation. What I wrote you on the 29th was intended to bring Caldwell to a definite proposition. That was all. I go to Boston by the same train that carries this letter, and will call at your office to-morrow at 12 M. If you don't happen to be in, no matter; don't put yourself to any trouble about it. Yours, J. G. B.

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These two letters were undoubtedly due to his anxiety to have that ruling, which he had "the curiosity" to hunt up, weigh in the bargain he was expecting.

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It appears, then, that Mr. Blaine did not tell the truth when he said that the Little Rock and Fort Smith Railroad Company owed nothing, "in any sense," to Congress, and that he did not confine himself to the use of the word "company" (April 25, 1876). Mr. Phelps is now in our columns on this point guilty of something very like a quibble, and is himself the person who inaccurately reports Mr. Blaine's language. Mr. Blaine was not as sly as Mr. Phelps supposes. He said both "road" and "company," and meant road when he said company. Nor did Mr. Blaine tell the truth when he said "he bought the bonds at precisely the same rate as others paid"; nor does Mr. Phelps speak truly when he says that "there is no evidence which suggests" that Mr. Blaine was appointed an agent to sell the bonds of the company. Since Mr. Phelps is an honorable man, this simply shows that he has not read the evidence. He will find a flood of it on pp. 90, 94, 95, 103-4-5 of the "Evidence taken before the Judiciary Committee" of the House in May, 1876. Mr. Blaine was made such agent on "liberal" and even "generous" terms, and sold $130,000 of the bonds under the arrangement, and afterward took back a number of them —say seventy-five—from the persons to whom he sold them, and who could not or would not bear the loss caused by their depreciation.

What became of these bonds which he took back? We said in our article of April 7 that there was "strong but not conclusive evidence" that they were taken off his hands by the Union Pacific Railroad. Mr. Phelps, who seems to read very carelessly, describes this as a positive "charge," made "without a particle of proof." What he produces as disproof again shows that he has not read the evidence. The witness Atkins, a director of the Union Pacific, testified that the 75 Little Rock and Fort Smith bonds were bought by the Union Pacific Railroad Company for $64,000, when they were worth only $37,500 (p. 91). The witness Mulligan testified that Atkins told him his belief that the bonds came from Mr. Blaine to Mr. Thos. A. Scott, and that he got the Union Pacific to take them off his hands at the high rate (p. 95). Atkins denied this, but did not question Mulligan's veracity. He thought it must be a mistake. Mulligan also testified that he (Atkins) made the same statement to Mr. Blaine personally. The witness Fisher was under the impression that the seventy-five were Blaine bonds, and, in a correspondence with Blaine touching a settlement, thought he answered Blaine's complaint about his losses in the Little Rock and Fort Smith transactions by referring to this excellent sale to the Union Pacific, without eliciting any contradiction from Blaine (p. 119). The witness Harrison, a Government director of the Union Pacific, testified that on discovering the seventy-five bonds among the assets of the company he moved an investigation, but was "taken aside" by Mr. Rollins, the Secretary and Auditor of the company, and asked to withdraw his motion, as it would injure Mr. Blaine; and that he subsequently found it impossible to have the matter inquired into (pp. 18-21). The witness Rollins could not remember who told him the bonds came from Mr. Blaine, and found his memory would not work on this point; but did not know why the company should have bought the bonds of anybody (p.p. 27-28). The witness Thomas A. Scott testified that he bought the bonds of Caldwell (Blaine's friend) at eighty cents on the dollar, and sold them to the Union Pacific Company at the same price he gave, eighteen months later, when they were worth only fifty or sixty cents on the dollar. The reason the company made this very peculiar investment, by which it paid $22,750 more than the market value of the securities, was, he said, that it owed him a considerable amount for salaries and other services (pp. 47-50). From whom Caldwell obtained them, and on whose account he made this remarkable sale, did not appear, because Caldwell was in Europe in 1876. The inquiry was interrupted at this point, too, by Mr. Blaine's illness. But the evidence, we repeat, taken in connection with the relations of all the parties, strongly pointed to the sale of the bonds to Mr. Tom Scott, at nearly double the market rate, by Caldwell on Blaine's behalf, and a subsequent and more extraordinary sale of the same bonds to the Union Pacific Railroad Company, the whole being followed by a

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Mr. Phelps's answer, in so far as it relates to the Northern Pacific transaction, calls for no fresh comment. He evidently knows nothing about it. We shall therefore simply reproduce Mr. Blaine's letter and the passage relating to it in our article of April 7:

"AUGUSTA, Me., November 25, 1870.

"MY DEAR MR. FISHER: A year ago and more I spoke to you about purchasing an interest in the Northern Pacific Railroad for yourself and any you might choose to associate with yourself. *The matter passed by without my being able to control it, and nothing more was said about it. Since then the Jay Cooke contract has been perfected, the additional legislation has been obtained, and 230 miles of the road are well-nigh completed, and the whole line will be pushed forward rapidly. By a strange revolution of circumstances I am again able to control an interest, and if you desire it you can have it.* The whole road is divided into twenty-four shares, of which Jay Cooke & Company have twelve. The interest I speak of is one-half of one-twenty-fourth, or one-one-hundred-and-ninety-second of the entire franchise, being that proportion of the $81,000,000 of stock that are being divided as the road is built, and a like proportion of the Land Company stock that is formed to take and dispose of the 52,000,000 acres of land covered by their grant as amended by the law of last session. The amount of stock which this 1-192 would have in the end would be about $425,000, and the number of acres of land it represents is nearly 275,000. The road is being built on the 7.30 bonds, $25,000 to the mile, which Jay Cooke takes at 90. Instead of mortgaging the land they make a stock company for its ownership, dividing it *pro rata* among the holders of the franchise. The whole thing can be had for $25,000, which is less than one-third of what some other sales of small interests have gone at. I do not suppose you would care to invest the whole $25,000. I thought for a small flyer eight or ten of you in Boston might take it—$2,500 each. For $2,500 thus invested you would get ultimately $42,000 stock and the avails of some 27,000 acres of land. Five of you at $5,000 each would have a splendid thing of it.

"The chance is a very rare one. I can't touch it, but I obey my first and best impulse in offering it to you.

"All such chances as this since Jay Cooke got the road have been accompanied with the obligation to take a large amount of the bonds at ninety, and hold them not less than three years. I will be in Boston Tuesday noon, and will call upon you. Of course if you don't want it, let it pass. You will receive an immediate issue of stock to a considerable amount, and certificates of land stock also. *Of course, in conferring with others, keep my name quiet, mentioning it to no one unless to Mr. Caldwell.* I write under the presumption that you have returned, but I have heard nothing. Yours truly, J. G. BLAINE."

This offer was accepted by Fisher, as appears from the following (p. 129):

"Received of Warren Fisher, jr., $25,000 in trust. n consideration of which I am to deliver to said Fisher properly authenticated certificates of an interest in the North Pacific Railway Company, equivalent to one-eighth part of one of the twenty-four principal shares in which the franchise stock of said company are divided; certificates to be in the name of Elisha Atkins.

"Witness my hand.

"JAMES G. BLAINE."

On this peculiar transaction we remarked, on April 7:

"It appears from acts of Congress relating to the road, none of which are of older date than July 2, 1864, that the authorized stock was $100,000,000, with a land grant, estimated by the Commissioners of Public Lands at 47,000,000 acres, or 74,423 square miles. The line of the road was 2,000 miles long; and at the time of Blaine's letter to Fisher, it was, he says, being built on bonds at $25,000 a mile, which would have made a bonded debt of $50,000,000. Mr. Blaine, as member of Congress and Speaker of the House, must be taken to have known about the circumstances of the road, and, therefore, there seems no escape from the conclusion that his offer was based on the expectation that he would receive almost as a gift a share in an enterprise dependent for its value on legislation in which he had taken part. Mr. Blaine's defence in the case of this transaction consisted at first of a denial that he had ever had any transaction with the road at all, but he afterward rested on the fact that he had no pecuniary interest in the transfer, and that it was never actually made; yet, though this might be a defence to suit against him for a conspiracy to defraud purchasers of the stock, it does not affect in any way the nature of the offer. His relations with Warren Fisher were, in 1870, as appeared from the evidence, such that any favor done the latter or gift presented to him, had a direct pecuniary value."

The letter shows, too, that he had actually been in pursuit of an interest in the road a year previously, had failed to acquire it, and that in the interval additional legislation for the benefit of the company had taken place.

The charge of having obtained the letters from Mulligan by pledging his word of honor to return them, and then breaking his pledge, Mr. Phelps, we take it for granted, tacitly confesses on his friend's behalf; so that no more need be said about it, except that we are sure that there are enough voters who feel strongly about it to make it certain that no man who has figured in such a transaction shall ever sit in Washington's chair. On the other points discussed by Mr. Phelps he has nothing new to offer, except that he does not agree with the EVENING POST. We may add we believe Mr. Blaine's railroad transactions have no further interest for the public, and we do not mean to return to them. What gave us or anybody any interest in them was the chance of his being nominated for the Presidency—which has now, we believe, passed away.

MR. BLAINE'S VERACITY—I.

[*From the Evening Post, June* 30, 1884.]

A STRIKING feature of the Blaine investigation of 1876 was the contradiction in testimony between himself and James Mulligan as to the facts of a certain interview which took place the day previous to the giving of the testimony. Mulligan testified that Mr. Blaine came to him at his hotel and asked him (Mulligan) if he had certain private letters of his (Blaine's) to Warren Fisher, to which

general hushing up of the matter, and a great failure of memory on the part of all concerned. Mr. Phelps's citation of Mr. Sidney Dillon, E. H. Rollins, and Morton, Bliss & Co. is simply worthless, though probably made without intent to deceive, because he has evidently not read the testimony. Morton, Bliss & Co. were no more likely to know anything about the transaction than the New York Postmaster who delivered their letters. The affectation of indignant surprise with which Mr. Phelps meets this would be most audacious if he were speaking in his own behalf, but it is pardonable in an enthusiastic advocate.

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"AUGUSTA, Me., November 25, 1870.

"MY DEAR MR. FISHER: A year ago and more I spoke to you about purchasing an interest in the Northern Pacific Railroad for yourself and any you might choose to associate with yourself. *The matter passed by without my being able to control it, and nothing more was said about it. Since then the Jay Cooke contract has been perfected, the additional legislation has been obtained, and 230 miles of the road are well-nigh completed, and the whole line will be pushed forward rapidly. By a strange revolution of circumstances I am again able to control an interest, and if you desire it you can have it.* The whole road is divided into twenty-four shares, of which Jay Cooke & Company have twelve. The interest I speak of is one-half of one-twenty-fourth, or one-one-hundred-and-ninety-second of the entire franchise, being that proportion of the $81,000,000 of stock that are being divided as the road is built, and a like proportion of the Land Company stock that is formed to take and dispose of the 52,000,000 acres of land covered by their grant as amended by the law of last session. The amount of stock which this 1-192 would have in the end would be about $425,000, and the number of acres of land it represents is nearly 275,000. The road is being built on the 7.30 bonds, $25,000 to the mile, which Jay Cooke takes at 90. Instead of mortgaging the land they make a stock company for its ownership, dividing it *pro rata* among the holders of the franchise. The whole thing can be had for $25,000, which is less than one-third of what some other sales of small interests have gone at. I do not suppose you would care to invest the whole $25,000. I thought for a small flyer eight or ten of you in Boston might take it—$2,500 each. For $2,500 thus invested you would get ultimately $42,000 stock and the avails of some 27,000 acres of land. Five of you at $5,000 each would have a splendid thing of it.

"The chance is a very rare one. I can't touch it, but I obey my first and best impulse in offering it to you.

"All such chances as this since Jay Cooke got the road have been accompanied with the obligation to take a large amount of the bonds at ninety, and hold them not less than three years. I will be in Boston Tuesday noon, and will call upon you. Of course if you don't want it, let it pass. You will receive an immediate issue of stock to a considerable amount, and certificates of land stock also. *Of course, in conferring with others, keep my name quiet, mentioning it to no one unless to Mr. Caldwell.* I write under the presumption that you have returned, but I have heard nothing. Yours truly, J. G. BLAINE."

This offer was accepted by Fisher, as appears from the following (p. 129):

"Received of Warren Fisher, jr., $25,000 in trust, in consideration of which I am to deliver to said Fisher properly authenticated certificates of an interest in the North Pacific Railway Company, equivalent to one-eighth part of one of the twenty-four principal shares in which the franchise stock of said company are divided; certificates to be in the name of Elisha Atkins.

"Witness my hand.

"JAMES G. BLAINE."

On this peculiar transaction we remarked, on April 7:

"It appears from acts of Congress relating to the road, none of which are of older date than July 2, 1864, that the authorized stock was $100,000,000, with a land grant, estimated by the Commissioners of Public Lands at 47,000,000 acres, or 74,423 square miles. The line of the road was 2,000 miles long; and at the time of Blaine's letter to Fisher, it was, he says, being built on bonds at $25,000 a mile, which would have made a bonded debt of $50,000,000. Mr. Blaine, as member of Congress and Speaker of the House, must be taken to have known about the circumstances of the road, and, therefore, there seems no escape from the conclusion that his offer was based on the expectation that he would receive almost as a gift a share in an enterprise dependent for its value on legislation in which he had taken part. Mr. Blaine's defence in the case of this transaction consisted at first of a denial that he had ever had any transaction with the road at all, but he afterward rested on the fact that he had no pecuniary interest in the transfer, and that it was never actually made; yet, though this might be a defence to suit against him for a conspiracy to defraud purchasers of the stock, it does not affect in any way the nature of the offer. His relations with Warren Fisher were, in 1870, as appeared from the evidence, such that any favor done the latter or gift presented to him, had a direct pecuniary value."

The letter shows, too, that he had actually been in pursuit of an interest in the road a year previously, had failed to acquire it, and that in the interval additional legislation for the benefit of the company had taken place.

The charge of having obtained the letters from Mulligan by pledging his word of honor to return them, and then breaking his pledge, Mr. Phelps, we take it for granted, tacitly confesses on his friend's behalf; so that no more need be said about it, except that we are sure that there are enough voters who feel strongly about it to make it certain that no man who has figured in such a transaction shall ever sit in Washington's chair. On the other points discussed by Mr. Phelps he has nothing new to offer, except that he does not agree with the EVENING POST. We may add we believe Mr. Blaine's railroad transactions have no further interest for the public, and we do not mean to return to them. What gave us or anybody any interest in them was the chance of his being nominated for the Presidency—which has now, we believe, passed away.

MR. BLAINE'S VERACITY—I.

[*From the Evening Post, June* 30, 1884.]

A STRIKING feature of the Blaine investigation of 1876 was the contradiction in testimony between himself and James Mulligan as to the facts of a certain interview which took place the day previous to the giving of the testimony. Mulligan testified that Mr. Blaine came to him at his hotel and asked him (Mulligan) if he had certain private letters of his (Blaine's) to Warren Fisher, to which

Mulligan replied that he had; that Blaine asked Mulligan to deliver them to him, which Mulligan, refused to do; that Blaine asked what Mulligan intended to do with the letters, and he replied that he intended to keep them for his own protection; that he had seen a statement in the Washington *Star* that the Blaine party were going to break Mulligan down, and that he intended to publish the letters if his testimony were impeached or impugned; that Mr. Blaine "prayed, almost went on his knees, and implored me to think of his six children and his wife, and said that if the Committee should get hold of this communication it would ruin him forever, . . . that he even contemplated suicide, and asked me if I wanted to see his children left in that state"; also that he asked Mulligan if he would not like to have a consulship abroad, etc. The next day Mr. Blaine denied under oath all of the foregoing testimony, but admitted that he had obtained possession of the letters from Mulligan on a promise or understanding that he would give them back to him, and that he had violated the promise. Several witnesses were examined as to Mulligan's reputation for truth and veracity, and the testimony was unanimous that it was perfectly good. Warren Fisher, who endeavored to shield Mr. Blaine as much as possible. testified: "His (Mulligan's) character is of the best. I would say that it as good as or perhaps better than that of any man I ever knew." This estimate of Mulligan was corroborated so far as Mr. Fisher was concerned by the fact that he (Fisher) intrusted to Mulligan the settlement of his entire business with Mr. Blaine, extending over several years and involving nearly or quite $200,000 in money and bonds. Even Mr. Blaine, while contradicting Mulligan as to the offer of a consulship, said: "I would not say that Mr. Mulligan falsifies; I do not want to say that at all," implying that Mulligan had merely misunderstood him.

When an issue of veracity is raised between two witnesses to the same subject matter it becomes important to ascertain which of the two is better entitled to belief. If it can be shown that one of them has already been convicted of untruth, the presumption will remain in favor of the other. Some days after the contradictory testimony of Blaine and Mulligan had been given, the letters to Warren Fisher were extorted from Mr. Blaine by overwhelming public opinion, and then it became known that Mr. Blaine had made two glaring misstatements as to essential facts in the case. In a speech delivered in the House of Representatives on the 24th of April, 1876, which he afterward asked permission to embody in his sworn testimony before the Committee, he had stated that the Little Rock and Fort Smith Railroad derived its life, franchise, and value wholly from the State of Arkansas, and that he (Blaine) bought his bonds at the same rate as others paid, and that he never received any as a gratuity. Both these statements were proved to be false by his own letters to Fisher. We quote the following paragraphs from his speech in the House, which will be found on page 2,725 of the *Congressional Record* for that year:

"In common with hundreds of other people in New England and other parts of the country, I bought some of these bonds—not a very large amount—*paying for them at precisely the same rate that others paid.* I never heard and do not believe that the Little Rock Company, which I know is controlled by highly honorable men, *ever parted with a bond to any person except at the regular price fixed for their sale.* The enterprise, though apparently very promising, proved unsuccessful, as so many similar projects did about the same time. I lost a considerable sum of money (over $20,000) by my investment, and I presume New England made a net loss of $2,000,000 in completing that road for Arkansas, as she has lost over one hundred millions by similar ventures west and south within the last twelve years. In addition to my investment in the bonds, I united with others in raising some money for the company when it met its first financial troubles. Proceedings are now pending in the United States Circuit Court in Arkansas to which I am a party of record, for the reimbursement of the money so advanced. All the bonds which I ever purchased I continued to hold; and when the company was reorganized in 1874, I exchanged them for stocks and bonds in the new concern, which I still own. My whole connection with the road has been open as the day. If there had been anything to conceal about it, I should never have touched it. Wherever concealment is desirable, avoidance is advisable, and I do not know any better test to apply to the honor and fairness of a business transaction.

. . . . . .

"In the seven intervening years since the Little Rock and Fort Smith bonds were placed on the market, I know few investments that have not been more affected by the legislation of Congress. But this case does not require to be shielded by any such comparisons or citations, for I repeat that the Little Rock Road *derived all it had from the State of Arkansas*, and not from Congress. It was in the discretion of Congress to give or withhold from the State, but it was solely in the discretion of the State to give or withhold from the Little Rock Railroad Company.

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"Third, that instead of receiving bonds of the Little Rock and Fort Smith Road as a gratuity, I *never had one except at the regular market price*, and that instead of making a large fortune out of that company I have incurred a severe pecuniary loss from my investment in its securities, which I still retain. And out of such affairs as this grows the popular gossip of large fortunes amassed in Congress."

The evidence that he did not buy his Little Rock and Fort Smith bonds at the same price that others paid for them, that in fact he never bought any, but received a large sum in bonds and cash as a gratuity or commission, was produced in such a variety of ways that neither Blaine nor any of his apologists ever afterward attempted to deny it. In the first place, Mulligan produced a memorandum book in Blaine's handwriting, showing that he (Blaine) was to receive from Fisher $130,000 of land-grant bonds, and $32,500 of first-mortgage bonds, besides $15,150 in money. Mulligan testified that Blaine did receive all these bonds, except $36,000, which were still due him, and Blaine in one of his letters spoke of $20,000 more as due him from Caldwell.

As between Mulligan and Blaine the issue of veracity would seem to be no longer open to doubt.

MR. BLAINE'S VERACITY—II.

[*From the Evening Post July* 1, 1884.]

THAT it is important to the people of the United States that their President should be a man whose word must be believed, whether under oath or not, will be generally conceded. It has been shown that Mr. Blaine made two misstatements respecting the Little Rock and Fort Smith Railroad affair as to the "bottom facts," concerning which he

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It was proved that the company derived its value from the extension of a land grant by Congress which Mr. Blaine himself had saved by an opportune ruling in the Speaker's chair. It was proved also that he did not buy the bonds in the same way that other people bought: that he did not buy them at all, but received them as a gratuity or commission to the amount of more than $100,000, besides $15,150 in money. This was shown by a memorandum book in his own hand-writing, in the words and figures following:

[First page of mem. book.]

Synopsis on next and following pages of the contracts made through J. G. Blaine by Warren Fisher, jr., as assignee of the contract for building the Little Rock and Fort Smith Railroad.

[Second and third pages of mem. book.]

Contracts made by Warren Fisher, jr., with the following named persons to deliver the stock and bonds named, on their paying the amounts named:

NAME.	Residence.	To Pay.	TO RECEIVE—		
			Common Stock.	Preferred Stock.	1st Mtge. Bonds.
A. & P. Coburn	Skowhegan.	$50,000	$50,000	$50,000	$50,000
—Peter F. Sanborn	Augusta	10,000	10,000	10,000	10,000
—Anson P. Morrill	Readfield	10,000	10,000	10,000	10,000
—Ralph C. Johnson	Belfast	10,000	10,000	10,000	10,000
—P. R. Hazletine	Belfast	5,000	5,000	5,000	5,000
—C. B. Hazletine	Belfast	5,000	5,000	5,000	5,000
—N. P. Monroe	Belfast	5,000	5,000	5,000	5,000
—A. W. Johnson (deceased)	Belfast	5,000	5,000	5,000	5,000
—H. H. Johnson	Belfast	5,000	5,000	5,000	5,000
—Philo Hersey	Belfast	5,000	5,000	5,000	5,000
—Lot M. Morrill	Augusta	5,000	5,000	5,000	5,000
—A. R. Farnell	Augusta	5,000	5,000	5,000	5,000
*Jos. H. Williams	Augusta	5,000	5,000	5,000	5,000
—C. M. Bailey	Winthrop	5,000	5,000	5,000	5,000
		$130,000	$130,000	$130,000	$130,000

*[The name, "Joseph H, Williams—$5,000," is erased in pencil.] (See over.)

In addition to the common stock, preferred stock, and first-mortgage bonds agreed to be delivered to the respective parties named on preceding page, Mr. Fisher agrees to deliver to J. G. Blaine a similar amount of land bonds and 25 per cent. of first mortgage bonds, viz.:

Land bonds, 7s, $130,000.

First-mortgage bonds, 6s, $32,500.

The same to be delivered by Mr. Fisher as soon as ready for distribution.

(Mr. Mulligan explained that Mr. Joseph H. Williams made one payment and then backed out, and then Mr. Fisher refunded him his money; and so of course Mr. Blaine was not entitled to the $5,000 land-grant bonds. He was only entitled to $157,000.)

[5th page of memorandum book.]

The other contracts on different bases are as follows:

1. With Joseph A. Sanborn and Charles M. Bailey, Mr. Fisher agrees to deliver:

$8,000 common stock.
X 8,000 preferred stock.
8,000 land bonds.
10,000 first-mortgage bonds.

All for $12,500, payable—

$600	$3,000 November 25, 1869.
$2,200	3,000 December 5, 1869.
$1,700	2,500 January 5, 1870.
	800 February 5, 1870.
	800 March 5, 1870.
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	$12,500.

The amounts enclosed on the left-hand margin above, $600, $2,200, $1,700, are payable by Mr. Fisher to Mr. Blaine.

Then follow precisely similar statements of three other transactions:

(2.) Mr. James M. Hagar, of Richmond, Me., agreed to pay $9,500 for $7,500 first-mortgage bonds, $6,000 land grants, and $6,000 each of common stock and preferred stock. Mr. Blaine was to receive from Mr. Fisher on this transaction $3,500 in cash.

(3.) Mr. Jeremiah Prescott, of Boston, agreed to pay $6,150 for $6,250 first-mortgage bonds, $5,000 land grants, and $5,000 each of common stock and preferred stock; Mr. Blaine to receive thereon from Fisher $1,150 in cash.

(4.) Mr. Joseph A. Sanborn, of East Redfield, Me., agreed to pay $15,000 for $11,250 first-mortgage bonds, $9,000 land bonds, and $9,000 each of common stock and preferred stock: Mr. Blaine to receive thereon from Fisher $6,000 in cash.

Mulligan testified that Mr. Blaine did receive all the bonds he was entitled to under the arrangement, except $36,000, which had not at that time been delivered, and that he received the cash which he was entitled to under the contract, and he was not disputed. Yet Mr. Blaine had stated in a speech in Congress that he paid the same price for his bonds that other people paid. He said virtually, "I, James G. Blaine, paid for my Little Rock and Fort Smith bonds the same price that A. & P. Coburn, Peter F. Sanborn, Anson P. Morrill, Joseph A. Sanborn, and James M. Hagar paid for theirs. I got mine in the same way that they got theirs, I do not believe that the company '*ever parted with a bond to any person except at the regular price fixed for their sale.*'"

The American people are wise enough to determine the character of a statement like this and to apply the proper definition to it. And here we beg to differ from the Chicago *Inter-Ocean* as to the "main question" involved in the Fisher letters. "The main question," says the *Inter-Ocean*, "is what did Mr. Blaine do after he became interested in the enterprise? Not a single ruling or vote can be pointed out which was made or cast in behalf of the enterprise in question. None of 'the various channels' referred to led to Washington. No enemy has even claimed to find in the records of Congress or of the Department of the Interior any suspicious footprints. He expected to be able to work up a sale for the securities of the company, and in this he was successful."

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The main question is, Did Mr. Blaine tell the truth when he said that the company derived its value wholly from the State of Arkansas, and that he came into possession of his bonds on the same terms that other people did, and that he had no reason to believe that the company ever parted with a bond except at the regular price fixed for their sale? This was not the truth. The truth was diametrically opposed to these statements. If he did not tell the truth in this case, what are the presumptions as to his other statements, and what are the presumptions as to his fitness to be President of the United States?

The Warren Fisher Contracts.

[*From the Congressional Record, June* 5, 1876, *page* 3,609.]

BOSTON, September 5, 1869.

Whereas I have this day entered into agreements with A. & P. Coburn and sundry other parties resident in Maine to deliver to them certain specified amounts of the common stock, preferred stock, and first mortgage bonds of the Little Rock and Fort Smith Railroad Company, upon said parties paying to me the aggregate sum of $130,000, which several agreements are witnessed by J. G. Blaine and delivered to said parties by said Blaine:

Now this agreement witnesses, that upon the due fulfilment of the several contracts referred to, by the payment of the $130,000, and for other valuable considerations, the receipt of which is acknowledged, I hereby agree to deliver to J. G. Blaine, or order, as the same come into my hands as assignee of the contract for building the Little Rock and Fort Smith Railroad, the following securities, namely: Of the land bonds 7 per cents $130,000; of the first mortgage bonds, gold 6s, $32,500. And these $130,000 of land bonds and $32,500 of first mortgage bonds thus agreed to be delivered to said Blaine are over and above the securities agreed to be delivered by Warren Fisher, jr., assignee, to the parties making the contracts, which parties, with the several amounts to be paid by each and the securities to be received by each, are named in a memorandum on the next page of this sheet.

And it is further agreed, that in the event of any one of said parties failing to pay the amount stipulated, then the amount of securities to be delivered to said Blaine under this agreement shall be reduced in the same proportion that the deficit of payment bears to the aggregate amount agreed to be paid.

WARREN FISHER, JR., Assignee.

Witness:
Alvan R. Flanders.
(Stamp.)

A DEFENCE OF MR. BLAINE.

[*From the Evening Post, July* 14, 1884.]

WE have received a copy of a pamphlet in defence of Mr. Blaine by Edwin D. Mead. It is written in the form of an open letter to the Boston *Advertiser*, and deals largely in the *argumentum ad hominem* by quoting liberally from the *Advertiser* of a former period, when it was under a different management, and was edited by a person not now living. The value of the argument, so far as it seeks to convict the *Advertiser* of inconsistency, is therefore worthless. As Mr. Mead has given some attention to the EVENING POST also, we propose to take notice of his pamphlet so far as to refresh the public mind upon one important fact connected with the Blaine investigation. Referring to the original groundwork of the investigation, viz., the charge that the Union Pacific Railroad Company relieved Mr. Blaine of $75,000 of Little Rock and Fort Smith Railroad bonds after that speculation had turned out badly, paying him $64,000 therefor, Mr. Mead says:

"If, therefore, the present insinuations of the EVENING POST are to be heeded, it must be on the theory of an amount of systematic, dove-tailed, and very dangerous and vulnerable lying [on the part of Caldwell and Tom Scott], which is absolutely preposterous."

The belief that Mr. Blaine did receive the $64,000 which it was proved that the Union Pacific Company paid without any good reason at a time when it was itself in financial straits, rests upon circumstantial evidence of such various and remarkable and self-supporting character that it could not possibly have been invented by any person or any number of persons. It is opposed by the testimony of Thomas A. Scott, who, if the charge were true, was himself *particeps criminis*, and therefore under suspicion as a witness. Caldwell never appeared before the Committee, was never examined or cross-examined. A cable telegram signed with his name was received by the Chairman of the Committee, purporting to confirm Scott's testimony. While the Committee were still in session, and while they were endeavoring to ascertain Caldwell's whereabouts, in order to secure his attendance, or at least to prove the genuineness of the telegram, Mr. Blaine, with characteristic effrontery, made a speech in the House charging that such a telegram had been received by the Chairman and that it had been *suppressed*. He had no means of knowing that it had been received except through another cable telegram from Caldwell to himself, and as to the suppression of it, there was nothing to suppress except upon the grotesque assumption that it was the duty of the Committee to report what they had got by hearsay before they were ready to report what they had got under oath. The testimony of Scott is therefore the only offset to the circumstantial evidence going to show that Mr. Blaine did receive the $64,000 in question.

It was shown near the close of the investigation, and quite unexpectedly by Mr. Blaine's letters, that he did receive from some quarter a large sum of money through the sale of Little Rock and Fort Smith bonds at much above their value. The source from which it came was explained by the witness Mulligan in a very straightforward way. He said that Elisha Atkins told him and Fisher that the Union Pacific Company held a lot of these bonds which came from Blaine, and would be glad to turn them in for the purpose of reorganizing the Little Rock Company on a new basis; that when Mr. Blaine was pressing Fisher for a settlement, alleging that he had lost heavily by the deal in Little Rock securities, Fisher wrote in reply that his losses could not have been heavy because he (Fisher) knew where he (Blaine) had received $64,000 from the sale of one lot of the depreciated bonds; that Blaine replied that Fisher was mistaken if he supposed the sale was for his own benefit, because he had turned the money over within forty-eight hours to the parties in Maine to whom he (Blaine) had sold the bonds, in order to save them from loss. Mr. Blaine's letter upon this point was dated April 18, 1872. It said:

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These facts came out only a few days before the close of the investigation. What had gone before may be briefly recapitulated. May 15, 1876, J. C. S. Harrison, a Government Director of the Union Pacific Railroad, testified that at the meeting of the Board in September, 1872, the President of the company presented a letter from the President of the Little Rock and Fort Smith Railroad Company, with reference to some bonds of the latter company held by the Union Pacific Company; that he (Harrison) moved the appointment of a committee to ascertain how these bonds came into possession of the Union Pacific, and that E. H. Rollins, the Secretary of the company, took him aside and desired him to withdraw the motion, because it would involve Mr. Blaine; "that the October election was near at hand, and the investigation of the matter would ruin Mr. Blaine and defeat his reëlection to Congress." May 16, 1876, E. H. Rollins testified that he had said to Mr. Harrison that "he had heard that these were Mr. Blaine's bonds, and that he might be involved in it." He could not recollect who told him that they were Blaine's bonds. May 15, 1876, Thomas A. Scott testificd that he bought $75,000 of Little Rock and Fort Smith bonds of Josiah Caldwell, for eighty cents on the dollar, and sold them subsequently to the Union Pacific Railroad Company, of which he was then President, at about the same prices, *i. e.*, for $64,000, and that Mr. Blaine had nothing to do with the matter. Being asked how the Union Pacific Company came to buy these bonds at a price so much above their value, he said that they were taken off his hands as compensation for his services as President of the company in lieu of salary. It was proved that the salary of the President of the Union Pacific Company was only $8,000 per year; that Scott was President only one year; that the difference between the market price of Little Rock bonds and the price at which the Union Pacific Company took this lot was at least $32,000; that Scott was President of thirteen or fourteen other railroad companies, and gave very little attention to the Union Pacific; that it was not customary for railroad companies to pay salaries in this roundabout way, and that there was no understanding or agreement between Scott and the Union Pacific Company when he became President that he should receive directly or indirectly more than $8,000 per year for his services.

The testimony of Mulligan was given on the 31st of May and two or three days following, and the letters were published on the 5th of June. It should be added that Mr. Atkins, although having a generally good opinion of Mulligan as a man of veracity, failed to remember telling him and Fisher that the bonds came from Blaine, but Fisher testified with a good deal of reluctance that "the inference" he drew from Mr. Atkins's remarks on the subject was that "they were Blaine bonds." Mr. Atkins was himself a director of the Union Pacific and a member of its Executive Committee. Fisher admitted that he might have referred to these bonds in his letters to Mr. Blaine, as having been turned over by the latter to the Union Pacific Company, and that Mr. Blaine might have replied that the money went to his (Blaine's) friends in Maine.

These are the links in the chain of circumstantial evidence going to show that Mr. Blaine, notwithstanding his denial, and Scott's queer narrative about the manner in which he collected his salary from the Union Pacific, and Caldwell's suspicious cable telegram, did get the money with which he reimbursed his Maine friends for their losses, in part at least, from the Union Pacific treasury.

A GOOD TOPIC FOR A BLAINE ORATOR.

[*From the Evening Post, July 22*, 1884.]

WE presume there are very few observers of the political field to-day who doubt any longer that the personal character of the candidates is to be the great issue and the chief topic of discussion in the canvass. All attempts to extract from the party platforms or from the political situation any other subject of controversy have thus far failed, and will undoubtedly continue to fail. What occupies and will occupy the public mind with increasing intensity from now until the first Tuesday of November next is Mr. Blaine's railroad transactions, considered as indications of the kind of President he would make if elected. That this would be the case if he got the nomination has been plain enough to all cool observers ever since 1876. That his personal followers should not have foreseen it we must take leave to consider an extraordinary example of political infatuation. We presume it is now clear to them all that no talk about the tariff, or the navy, or the South American Republics will do them any good. What the public wants to hear from them is explanations of the Mulligan letters and the evidence before the Congressional Committee. Blaine meetings in which all mention of the Little Rock bonds, of the North Pacific "interest," and of the Union Pacific $64,000, is carefully avoided, must inevitably prove flat and unprofitable, and cannot exert any favorable influence on the canvass. The very avoidance of these topics is most injurious to the Republican candidate. Charges based on his own letters cannot be ignored. They have to be met somehow, and the longer that is put off the more trying the ordeal will be when it comes.

To us the Mulligan letters are more valuable by far for the glimpses they give us of Mr. Blaine's life behind the scenes of the political stage than even for the proof they afford of positive wrongdoing. They show beyond question that between 1865 and 1870, if not later, he was very busy in making money, and that he was using his official position without stint in order to help him in his enterprises. Thus far his operations in Little Rock and Fort Smith bonds have attracted most attention, as it is with regard to them that he reveals his methods most clearly in his correspondence with Warren Fisher. But the one Northern Pacific letter is really more suggestive as to the way in which he filled up the time he could spare from his official duties than the Little Rock letters. Here it is, and it deserves the careful perusal of every voter.

[See letter dated Nov. 25, 1870, on page 10.]

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It will be seen from this that as early as 1868 he

had been trying to secure an interest in the Northern Pacific enterprise for his friend Fisher, who had helped to procure him the selling agency of the Little Rock and Fort Smith bonds; that he had failed, but was, on the whole, not sorry that he had failed, because it had in the interval become more valuable through the perfecting of Jay Cooke's contract, and by "the additional legislation" which the promoters had been trying to obtain from Congress. It is a fair inference, too, we think, that Mr. Blaine had, after his first disappointment, kept his eye on the Northern Pacific scheme; that he had not been remiss in assisting the projectors in getting the "additional legislation," and that when the proper time came he tried again. on this second occasion he was successful. He "again" came into control of an interest by a "strange revolution of circumstances." Now we think orators at Blaine meetings could in no way so profitably employ their time as in explaining how a member of Congress could with propriety come into control of an interest in an enterprise which was largely dependent on legislation for its value, and what "the strange revolution of circumstances" could be which gave him at one time the control of such an interest which he had already failed to obtain at another. Surely a candidate for the Presidency may fairly be asked to tell what this singular phrase meant, particularly when imputations against his integrity are based on it. As it stands it suggests most vividly a picture of great subterranean activity in watching the "good things," or, as he calls them, "the rare chances" before Congress, and in negotiating for his own admission to "the ground floor"; for this "1-192" which he got hold of was the ground floor of the Northern Pacific Railroad.

It will be observed, too, that although he had been trying to get hold of it for two years, and was fully alive to all its beauties, he could not "touch it" himself when he got it. This must, of course, mean, as he had already controlled it, that he could not openly hold it in his own name, but must get rid of it for cash as soon as possible. This he proceeded to do by offering it to his friend Fisher for $25,000. There is probably nothing more amusing in his whole correspondence—a large portion of which has still to be made public—than the gushing declaration that this offer was made under the influence of a generous "impulse," the "first and best" one that he had felt about the disposition of the 1-192. Fisher promptly accepted the offer and paid the money. On Blaine's showing the chance was indeed a rare one.

The stock was, however, never delivered, and at the expiration of a year Blaine paid the money back. His consciousness that his share in the transaction was improper and disreputable was fully revealed in his injunction to Fisher "to keep his name quiet, mentioning it to no one" but his friend Caldwell. Now, we venture to assert that a candidate for the Presidency who admits over his own signature his participation in a transaction of this kind owes it to those whom he asks to vote for him to explain not only how he became able to make this remarkable sale to Fisher, but why he was unable to deliver the stock. What other "strange revolution of circumstances" prevented his obeying that "first and best impulse," particularly after pocketing the money in advance? Was it or was it not his discovery in the interval that he could do better with the "1-192" than let Fisher have it for $25,000? In plainer English, did he or did he not sell it to somebody else for more money?

These are questions which we trust will be answered before the canvass is over, but Mr. Blaine's friends ought not to allow the answers to come from his enemies. They ought to be produced at Blaine meetings by Blaine orators, in a plain and perspicuous manner, without evasion or equivocation. It is about these things, and not about the tariff and the Spanish Republics, that the public wishes to hear from them, and this desire of the public we hold to be not only legitimate, but an essential condition of good government.

THE MULLIGAN LETTERS COMPLETE

Following are all the letters thus far produced, both old and new, in their chronological order:

SPENCER RIFLE CO.

The first one, Mr. Blaine said in his speech of June 5, 1876, referred to the Spencer Rifle Company, viz.:

WASHINGTON, May 26, 1864.

MY DEAR SIR: Your favor received. I am very glad, all things considered, that the Government has accepted your proposition to take all you manufacture till 1st September, 1865. It gives a straight and steady business for the company [Spencer Rifle Co.] for a good stretch of time. In regard to the tax provision you can judge for yourself, as I send herewith a copy of the bill as reported from the Finance Committee of the Senate, and now pending in that body—see pages 148, 149, where I have marked. In looking over the bill you will please observe that all words in italic letters are amendments proposed by the Senate Finance Committee, while all words included in brackets are proposed to be struck out by same Committee.

The provision which you inquire about was not in the original bill, but was an amendment moved from the Ways and Means Committee by Mr. Kasson, of Iowa, to whom I suggested it. It is just and proper in every sense, and will affect a good many interests, including your company. I am glad to hear such good accounts of your progress in the affairs of the company, of which I have always been proud to be a member.

Tell Mr. Welles that his brother has been nominated by the Senate for Commissary of Subsistence, with rank of Captain. He will undoubtedly be confirmed as soon as his case can be reached. I will advise you as soon as it is done.

In haste, yours truly,

J. G. BLAINE.

Warren Fisher, Jr., Esq.

After reading this letter Mr. Blaine said that the amendment provided that "where the Government had contracted for the delivery of a specific article of manufacture, and after the contract was made with the Government an additional tax was levied on that article, the Government should stand the loss, and not the seller."

NOT A DEADHEAD IN THE ENTERPRISE.

AUGUSTA, June 29, 1869.

MY DEAR MR. FISHER: I thank you for the article from Mr. Lewis. It is good in itself, and will do good. He writes like a man of large intelligence and comprehension.

Your offer to admit me to a participation in the new railroad enterprise is in every respect as generous as I could expect or desire. I thank you very sincerely for it, and in this connection I wish to make a suggestion of a somewhat selfish character. It is this: You spoke of Mr. Caldwell disposing of a share of his interest to me. If he really designs to do so, I wish he would make the proposition definite, so that I could know just what to depend on. Perhaps if he waits till the full development of the enterprise, he might grow reluctant to part with the share; and I do not by this mean any distrust of him.

I do not feel that I shall prove a deadhead in the enterprise if I once embark in it. I see various channels in which I know I can be useful.

Very hastily and sincerely, your friend,

J. G. BLAINE.

Mr. Fisher, India Street, Boston.

A MOST LIBERAL PROPOSITION.

AUGUSTA, Maine, July 2, 1869.

MY DEAR MR. FISHER: You ask me if I am satisfied with the offer you make me of a share in your new railroad enterprise.

Of course I am more than satisfied with the terms of the offer. I think it a most liberal proposition.

If I hesitate at all, it is from considerations no way connected with the character of the offer. Your liberal mode of dealing with me in all our business transactions of the past eight years has not passed without my full appreciation. What I wrote you on the 29th was intended to bring Caldwell to a definite proposition. That was all.

I go to Boston by same train that carries this letter, and will call at your office to-morrow at 12 M. If you don't happen to be in, no matter. Don't put yourself to any trouble about it.

Yours, J. G. B.

W. Fisher, jr.

The "liberal proposition" is supposed to refer to the arrangement with Fisher by which Mr. Blaine was to sell $130,000 of Little Rock and Fort Smith first mortgage bonds with common and preferred stock, and receive for himself as commission $130,000 of land grant bonds and $32,500 first mortgage bonds. This arrangement was subsequently embodied in the contract dated September 5, 1869. This was separate and distinct from the desired arrangement with Caldwell.

NO EMBARRASSMENT IN TALKING WITH CALDWELL.

AUGUSTA, Me., October 4, 1869.

MY DEAR MR. FISHER: Find enclosed $10,000 check in pay't of A. & P. Coburn's subscription.

I presume you will receive by same mail the 20 p'r ct. due on all the subscriptions already forwarded to you, and also on the following:

Philo Hersey, Belfast	$5,000
A. W. Johnson, Belfast	5,000
R. C. Johnson, Belfast	5,000
Nahum P. Munro, Belfast	5,000
C. B. Hazeltine, Belfast	5,000

This makes $125,000 in all I have disposed of. It is doubtful if I dispose of any more—but I shall know by to-morrow. So there will be no delay to embarrass you in any way. No one will ever know from me that I have disposed of a single dollar in Maine. So there need be no embarrassment in talking with Mr. Caldwell. I don't wish you to settle that matter with Mr. Caldwell till you hear from me again. Please send receipt to A. & P. Coburn, Skowhegan, Me.

Yours truly, J. G. BLAINE

W. Fisher, jr., esq.

After I rec'd the letter in regard to Mr. Adams's case I telegraphed again. Delano had ret'd, and I think the suspension was at once ordered by him.

J. G. B.

P. S.—I send only $8,000 this morning. Will send $2,000 remaining to-morrow morning.

The desired arrangement with Caldwell was not to be made until Mr. Blaine could collect the facts to make an impressive statement of the service he had rendered in ruling out the Julian amendment to the Little Rock Railroad Bill.

THE GREAT FAVOR TO CALDWELL.

AUGUSTA, Me., October 4, 1869.

MY DEAR SIR: I spoke to you a short time ago about a point of interest to your railroad company that occurred at the last session of Congress. It was on the last night of the session, when the bill renewing the land grant to the State of Arkansas for the Little Rock Road was reached, by Julian, of Indiana, Chairman of the Public Lands Committee, and by right entitled to the floor, attempting to put in the bill as an amendment to the Frement El Paso scheme—a scheme probably well known to Mr. Caldwell. The House was thin, and the lobby in the Fremont interest had the thing all set up, and Julian's amendment was likely to prevail if brought to a vote. Root and the other members from Arkansas, who were doing their best for their own bill, to which there seemed to be no objection, were in despair, for it was well known that the Senate was hostile to the Fremont scheme, and if the Arkansas bill had gone back to the Senate with Julian's amendment, the whole thing would have gone on the table and slept the sleep of death. In this dilemma Root came to me to know what on earth he could do under the rules, for, he said, it was vital to his constituents that the bill should pass. I told him that Julian's amendment was entirely out of order, because not germane. But he had not sufficient confidence in his knowledge of the rules to make the point, but he said General Logan was opposed to the Fremont scheme and would probably make the point. I sent my page to General Logan with the suggestion, and he at once made the point. I could not do otherwise than sustain it, and so the bill was freed from the mischievous amendment moved by Julian, and at once passed without objection. At that time I had never seen Mr. Caldwell, but you can tell him that, without knowing it, I did him a great favor.

Sincerely yours, JAMES G. BLAINE.

W. Fisher, jr., esq., No. 24 India Street, Boston.

Observe the formal tone of the foregoing letter, evidently written to be shown to Caldwell.

BOTHERED ABOUT DEFINITE ARRANGEMENTS WITH CALDWELL.

AUGUSTA, Me., October 4, 1869.

MY DEAR MR. FISHER: Find enclosed contracts of the parties named in my letter of yesterday. The remaining contracts will be completed as rapidly as circumstances will permit. I enclose you a part of the *Congressional Globe* of April 9, containing the point to which I referred at some length in my previous letter of to-day. You will find it of interest to read it over and see what a narrow escape your bill made on that last night of the session. Of course it was my plain duty to make the ruling when the point was once raised. If the Arkansas men had not, however, happened to come to me when at their wits' end and in despair, the bill would undoubtedly have been lost, or at least postponed for a year. I thought the point would interest both you and Caldwell, though occurring before either of you engaged in the enterprise. I beg you to understand that I thoroughly appreciate the courtesy with which you have treated me in this railroad matter, but your conduct toward me in business matters has always been marked by unbounded liberality in past years, and of course I have naturally come to the conclusion to expect the same of you now. You urge me to make as much as I fairly can out of the arrangement into which we have entered. It is natural that I should do my utmost to this end. I am bothered by only one thing, and that is definite and expressed arrangements with Mr. Caldwell. I am anxious to acquire the interest he has promised me. But I do not get a definite understanding with him as I have with you. I shall be in Boston in a few days, and shall then have an opportunity to talk matters over fully with you. I am disposed to think that whatever I do with Mr. Caldwell must really be done through you. Kind regards to Mrs. Fisher. Sincerely, J. G. BLAINE.

W. F., jr., esq.

HAS ENDEAVORED NOT TO BE INDELICATE.

$5,000. AUGUSTA, Me., 5th Oct., 1869.

MY DEAR MR. FISHER: I enclose you two-thousand dollar check, balance of A. & P. Coburn's instalment; two thousand dollars in pay't of Anson P. Morrill's instalment; one thousand dollars in pay't of Lot M. Morrill's instalment. Lot M. Morrill's subscription of $5,000 is additional to those already advised, making in all $130,000. There may possibly be $20,000 more, but $150,000 will be my limit.

I received yours enclosing P. R. Hazeltine's letter from Belfast. By mail succeeding this you will receive cashier check for $1,000, and hereafter you will have no trouble with any of the Maine subscriptions. All will come to you in cash'r checks or money direct by express.

I note what you say about the importance of my keeping all quiet here. I fully appreciate y'r wisdom and y'r kindness, and shall endeavor to do just as you desire in the premises. The letter enclosing the *Globe* by same mail with this can be read by you to Mr. Caldwell if you think it expedient. I have endeavored in writing not to be *indelicate*.

I shall see you in Boston Thursday noon. Don't send any receipts to Maine folks till I come. Yours, J. G. BLAINE.

W. F., jr., esq.

The endeavor not to be indelicate refers to the formal letter to be shown to Caldwell. It shows plainly what was running in Mr. Blaine's mind. He wanted to get the interest from Caldwell without *seeming* to ask for it as a reward for his ruling on the Julian amendment. Observe that four letters were written in two days in pursuit of the Caldwell interest.

NATIONAL BANKS—A MATTER OF FAVORITISM.

AUGUSTA, Me., 18th Nov., 1869.

MY DEAR MR. FISHER: It is quite evident to my mind that at the approaching session of Congress there will be an expansion of the currency to the amount of fifty to seventy-five millions of dollars. The form it will take, I think, will be an addition to the National bank circulation West and South.

My object in writing is to ask in season if your friends would desire to establish a Bank at Little Rock? It will be to some extent a matter of favoritism as to who gets the Banks in the several localities, and it will be in my power to "cast an Anchor to the Windward" in y'r behalf if you desire it. Please think over the matter, and confer with Mr. Caldwell; and let me know y'r desires as soon as you reach any conclusion. There is, of course, no special hurry; but I thought I would suggest the matter in order that you might mature your thoughts in good time.

It would be well to determine the amount to which you might wish to go. I suppose it might be practicable to secure a $500,000 bank; but in that locality you would hardly wish to go so deep. But they are very profitable institutions—say, $250,000. Yours very truly, J. G. BLAINE.

Warren Fisher, jr., esq.

The foregoing letter was written about one year in advance of the actual redistribution of national bank circulation. It shows what a remarkably keen scent Mr. Blaine had for any bill that had money in it.

DOES NOT WISH TO SEEM EXACTING OR INDELICATE.

WASHINGTON, May 14, 1870.

MY DEAR MR. FISHER: I think on the whole I had better not insist on the $40,000 additional bonds at same rate. My engagement was not absolute, and I can back out of it with honor. I would rather do this than seem to be exacting or indelicate.

Besides, I have always felt that Mr. Caldwell manifested the most gentlemanly spirit toward me and designed to treat me handsomely in the end. On the whole, therefore, I shall be better off perhaps to let things remain as they are. But I will follow your judgment in this matter if I can find what it is. Very hastily, J. G. BLAINE.

W. Fisher, Esq.

Does he mean exacting or indelicate in taking $40,000 additional bonds "at precisely the same rate that others paid"?

THE NORTHERN PACIFIC MATTER.

The following letter was not embraced in the Mulligan series, but was introduced in the testimony taken by the Investigating Committee:

AUGUSTA, Me., November 25, 1870.

MY DEAR MR. FISHER: A year ago and more I spoke to you about purchasing an interest in the Northern Pacific Railroad for yourself and any you might choose to associate with yourself. The matter passed by without my being able to control it, and nothing more was said about it. Since then the Jay Cooke contract has been perfected, the additional legislation has been obtained, and 230 miles of the road are well-nigh completed, and the whole line will be pushed forward rapidly. By a strange revolution of circumstances I am again able to control an interest, and if you desire it you can have it. The whole road is divided into twenty-four shares, of which Jay Cooke & Co. have twelve. The interest I speak of is one-half of one twenty-fourth, or one-one-hundred-and-ninety-second of the entire franchise, being that proportion of the $81,000,000 of stock that are being divided as the road is built, and a like proportion of the Land Company stock that is formed to take and dispose of the 52,000,000 acres of land covered by their grant as amended by the law of last session. The amount of stock which this 1-192 would have in the end would be about $425,000, and the number of acres of land it represents is nearly 275,000. The road is being built on the 7.30 bonds, $25,000 to the mile, which Jay Cooke takes at 90. Instead of mortgaging the land they make a stock company for its ownership, dividing it *pro rata* among the holders of the franchise. The whole thing can be had for $25,000, which is less than one-third of what some other sales of small interests have gone at. I do not suppose you would care to invest the whole $25,000. I thought for a small flyer eight or ten of you in Boston might take it—$2,500 each. For $2,500 thus invested you would get ultimately $42,000 stock and the avails of some 27,000 acres of land. Five of you at $5,000 each would have a splendid thing of it.

The chance is a very rare one. I can't touch it, but I obey my first and best impulse in offering it to you.

All such chances as this since Jay Cooke got the road have been accompanied with the obligation to take a large amount of the bonds at ninety, and hold them not less than three years. I will be in Boston, Tuesday noon, and will call upon you. Of course, if you don't want it, let it pass. You will receive an immediate issue of stock to a considerable amount, and certificates of land stock also. Of course, in conferring with others, keep my name quiet, mentioning it to no one unless to Mr. Caldwell. I write under the presumption that you have returned, but I have heard nothing.

Yours truly. J. G. BLAINE.

This offer was accepted by Fisher, as appears from the following:

Received of Warren Fisher, jr., $25,000 in trust, in consideration of which I am to deliver to said Fisher properly authenticated certificates of an interest in the North Pacific Railway Company, equivalent to one-eighth part of one of the twenty-four principal shares in which the franchise stock of said company are divided; certificates to be in the name of Elisha Atkins.

Witness my hand,

JAMES G. BLAINE.

THE NATIONAL BANK AGAIN.

FORTY-FIRST CONGRESS, U. S.,
HOUSE OF REPRESENTATIVES,
WASHINGTON, D. C., December 7, 1870.

MY DEAR MR. FISHER: You have rec'd Mr. Boutwell's answer.

I presume you will deem it necessary to come on here; if so let me know of it a day or two in advance.

I have written to Mr. Caldwell about the bank; no trouble in securing a b'k of $500,000.

Sec'y of War will not allow the use of the Arsenal at Little Rock—says it is impossible. Very hastily & truly, J. G. B.

A FURTHER CONFERENCE WITH THE COMPTROLLER OF THE CURRENCY.

HOUSE OF REPRESENTATIVES,
WASHINGTON, D. C., Dec. 9, 1870.

MY DEAR MR. FISHER: I wrote very hastily, both to yourself and Mr. Caldwell, in regard to the bank. A further conference with the Comptroller of the Currency gives some additional facts which are of interestt, and this letter is intended alike for yourself and Mr. Caldwell. Please show it to him. They are now allowing 90 per cent. circulation on 10-40 bonds, instead of 80, and then 85 at different periods in the past. They give me the assurance that you shall have full $450,000 circulation on a bank of *half a million capital*.

You can, of course, deposit 5-20s if you please, but you will get no more than 90 per cent. circulation. They will cost you more, of course, and though you get more interest, you will very likely be disturbed in the quiet possession of them very soon by the operation of the funding scheme.

The opinion gains ground here quite rapidly, as you might infer from Secretary Boutwell's report, that the debt cannot be funded at less than 5 per cent.

By taking 10-40 bonds, therefore, you would be undisturbed as long as the banking system lasts, or at least for thirty years and more. None of the 10-40s mature before A. D. 1904, and that is quite long enough to embrace within the scope of any financial operation. It might be well to have your formal application for y'r increase of capital, and then take such time as you may wish for getting your stock subscribed. If you desire, I will confer with Senator Rice in regard to forms, etc. It might be better now to let him take the lead.

Yours very truly, J. G. BLAINE.

W. Fisher, jr., Esq.

THE $25,000 LOAN.

In January, 1871, Mr. Blaine made a loan to Josiah Caldwell of $25,000, taking $50,000 of Little Rock and Fort Smith Railroad Company land grant bonds as collateral. Mr. Warren Fisher, jr., advanced the collateral to Mr. Caldwell and the proceeds of the loan were to be paid to him. By reason of his illness Mr. Fisher directed Mr. Blaine to pay the money to Mr. John C. Pratt, for his (Fisher's) account and credit, which was done. The following letter was preliminary to the loan:

AUGUSTA, Me., 29 Dec., 1870.

MY DEAR MR. FISHER: I am in hopes now that I shall secure $25,000, or nearly that. I find money very tight, and rates well up to 9 per cent.—stiff at that.

The most of it will be for 5 and 6 months. If I had had more time and earlier notice I could have raised more, & at easier rates. I have seen most of the parties to whom bonds are due. I do not have much trouble about the January coupon of the first mortgage bonds—but they, of course growl some—on six of the bonds. I would be glad to have the coupon. I promised them, *individually*, to make it right in the future. I did not in any way use the name of the company, nor commit you to anything—only *myself*.

On the land bonds I cannot make them see the equity of removing the April coupon, & I promised to try and adjust that matter with you after my return to Boston. They all agree with one voice that no bond shall be exposed for sale. I wish you could give me the benefit of that fraction making 32 of the first mortgage bonds for the $31,500 due. I use the extra $500 in adjusting the interest matter, & it fits in completely. I will make it all right with you.

What I want, then, is

$82,000 { $32,000 first mortgage bonds. / $50,000 land bonds.

and also f'r collateral to the notes for $25,000 an additional $50,000 of land bonds.

Please meet me at Mr. Caldwell's private office on Saturday, at 12:15 sharp. I shall try to be there precisely at *noon*, but allow 15 minutes for grace. It is very important that I have everything completed that day, as a man will come to Boston with me to take charge of the bonds.

Yours, in g't haste,
J. G. BLAINE.

ARRANGING FOR A MEETING WITH TOM SCOTT.

FORTY-FIRST CONGRESS, U. S.
HOUSE OF REPRESENTATIVES,
WASHINGTON, D. C., Jan. 20, 1871.

MY DEAR MR. FISHER: I have this moment written to Mr. Caldwell suggesting that, in case I can arrange a meeting in this city next week with Col. Thomas A. Scott, to come on here. I have some reason for believing that a very advantageous arrangement may be made for taking, say, $300,000. I will telegraph Mr. Caldwell by Tuesday evening if I can arrange the meeting, and I wish him to hold himself in readiness for the journey. Your letter is this moment received; you ask my advice. Let me have an accurate and reliable statement of your financial condition and I can do something, I feel very sanguine, with Thomas A. Scott.

I think you will not deem me unreasonable when I again and persistently urge that I ought to have good notes for the $25,000, and that I ought also to have the $82,000 bonds, which were made by yourself and Mr. Caldwell the express basis of the $25,000 loan. I do not believe y'r company has a stronger or more equitable and legal claim than mine—while its personal hardships to me are bitter, and burning, and humiliating to the last degree. Sincerely your friend, J. G. BLAINE.

Compare this with Mr. Blaine's statement in the House of Representatives, April 24, 1876, viz.:

"I never had any transaction of any kind with Thomas A. Scott concerning bonds of the Little Rock and Fort Smith Road, or the bonds of any other railroad, or any business in any way connected with railroads, directly or indirectly, immediately or remotely."

See also Fisher's letter of November 10, 1871, below.

BLAINE TO CALDWELL CONCERNING THE $25,000 LOAN.

FORTY-SECOND CONGRESS, U. S.
HOUSE OF REPRESENTATIVES,
WASHINGTON, D. C. April 21, 1871.

MY DEAR MR. CALDWELL: On the 29th inst. the second note of the loan I negotiated in December last falls due. The first for $2,032 50, which fell due March 1st--4th I was compelled to meet at the gravest possible inconvenience to myself. I drew on Mr. Fisher for the amount, but he declined to notice the draft. The note which falls due on the 29th inst. is for $2,578 35. It seems extremely hard and unjust that I should be compelled to pay this money. It is no more my debt than the debt of President Grant or Queen Victoria, and I cannot believe that you and Mr. Fisher, both or either, intend to leave this burden on me.

If you do, it will crush me. I have no possible means wherewith to meet these notes, and I beg of you and Mr. Fisher, either or both, to come to my relief. In a letter from Mr. Fisher, under date of January 24, he writes me as follows:

"In regard to the $25,000 which you borrowed and loaned to Mr. Caldwell, or rather Mr. Pratt, as it was assumed by Mr. Pratt, because you received from him $50,000 land bonds for the amount. Upon my visiting the office for the first time after you left the city, Mr. Pratt said he and Mr. Farrington gave to you their individual bonds, and they kept the money; and in order to obtain the money, and get it out of Mr. Pratt's hands, I obtained $50,000 land bonds, and took what I supposed to be money, but it was not there. Part of it had been misapplied to other matters; $15,000 of it I loaned Mr. Caldwell; the balance went into a house at Little Rock without my knowledge or consent, and Pullman cars, etc., etc."

Now, my dear Sir, if this be a correct statement, may I not hope that you will relieve me to the extent of the $15,000, and Mr. Fisher will surely pay the other $10,000?

As a wholly innocent third party doing my best to act as a sincere and steadfast friend to both of you, I ought not to be left exposed to financial ruin and personal humiliation.

Please read this to Mr. Fisher. I have advised of my writing you. Sincerely yours,
J. G. BLAINE.

Josiah Caldwell, esq.

Josiah Caldwell, No. 1 Pemberton Square:

BOSTON, April 25, 1871.

DEAR FISHER: I enclose letter from Blaine. I forgot to speak to you about them when I saw you this P. M. I hope you can help him. I would if it were in my power. Blaine is an important man for us to have feel all right toward us, and I only wish that I was so situated that I could help him. Yours very truly,
J. CALDWELL.

This letter enclosed Mr. Blaine's letter to Caldwell of April 21, 1871.

BLAINE TO FISHER ON THE SAME SUBJECT.

AUGUSTA, Me., 14th June, 1871.

MY DEAR MR. FISHER: I tried very hard yesterday and day before (Monday and Tuesday) to see you, but was not fortunate enough to run across you. I am in a very painful and embarrassed situation growing out of my connection with the Fort Smith enterprise. I have paid and caused to be paid into y'r treasury about $250,000, and the only result to me is the most painful perplexity. The most painful of all and the most oppressive is the $25,000 which I paid to Mr. Pratt for you Jan'y 2d, which I borrowed here on my own faith and credit on the distinct understanding with you that it was to be repaid, and that I was also to receive a certain proportion of the bonds. I have rec'd only a part of the bonds—the larger part—and not a dollar of the money. And now, in addition to all other troubles, I have $10,000 of coupons, a little over that amount, which I am held to take care of partly through verbal understanding and partly through written agreement—coupons due in April on land bonds and to fall due in July on first mortgage bonds. Now, I have a proposition to make to you, which I think is most liberal and fair, going as far as I possibly can go without ruining myself past all recovery. If you will look at copy of our agreement in your hands, you will find there is still due to me $70,000 of land bonds and $32,000 of first mortgage.

In order to square myself with my friends, I need and must have $36,000 land bonds and $9,000 first mortgage—$45,000 in all—still leaving $57,000 of mine in your hands.

Now, if you will take up these $10,000 of coupons, paying me the cash therefor, and give me the $45,000 of bonds, I will let all the remainder of our matters stand until you are perfectly at ease and ready to open correspondence on the subject yourself. In other words, I will leave the matter in your hands until the Fort Smith enterprise is out of the woods, and its tangled affairs well smoothed out.

I trust in consideration of our many years of friendship, as well as in view of the peculiar relations I have held in this matter, you will make an effort to do this.

Pray let me hear from you at your earliest leisure, and greatly oblige yours truly,
W. Fisher, jr., esq. J. G. BLAINE.

As Mr. Blaine was entitled to $125,000 land bonds under his arrangement with Fisher, this letter shows that $55,000 had been delivered to him, there being $70,000 still due.

FISHER TO BLAINE CALLING FOR DELIVERY OF THE NORTHERN PACIFIC INTEREST.

BOSTON, September 30, 1871.

MY DEAR BLAINE: It is the greatest importance that the parties owning the interest in the $25,000, and invested by them in the Northern Pacific Railroad, should receive what is due them, and unless something is done about it I

shall be forced to turn the document over to them, and let you settle directly with them. I am constantly reminded about it, and they all say, Why don't Blaine deliver to you our interest? Mr. Caldwell tells me he has paid you his last note due you, and gave you the $50,000 land bonds in addition. I should judge it was for your interest to settle the matter at once and have no further delay. You must be your own judge in the matter, but my advice is to settle it at once.

I remain, WARREN FISHER, JR.

DOING ALL IN HIS POWER TO HASTEN THE DELIVERY.

AUGUSTA, October 1, 1871.

MY DEAR MR. FISHER: I am doing all in my power to expedite and hasten the delivery of that stock. The delay has been occasioned by circumstances wholly beyond my control. But I shall reach a conclusion within a few days and make the formal delivery then. It will be an immense relief to get it off my hands, I assure you; far greater than it will be for you to receive it.

You must have strangely misunderstood Mr. Caldwell in regard to his paying those notes. He has paid me in all just $6,000, leaving $19,000 due, which I am carrying here at 8 and 8½ per cent. interest, and which embarrasses me beyond all imagination. I do not really know which way to turn for relief, I am so pressed and hampered. The Little Rock and Fort Smith matter has been a sore experience to me, and if you and Mr. Caldwell between you cannot pay me the $19,000 of borrowed money, I don't know what I shall do. Politically I am charged with being a wealthy man. Personally and pecuniarily I am laboring under the most fearful embarrassments, and the greatest of all these embarrassments is the $19,000 which I handed over under your orders, and not one dollar of which I have received. Of the $25,000 original debt Mr. Caldwell has paid $6,000, and $6,000 only. Can you not give me some hope of relief in this matter? It is cruel beyond measure to leave me so exposed and so suffering.

You know my profound regard for you and my faith in you. We have been friends too long and too intimately to allow a shade between us now.

Yours truly, J. G. BLAINE.

MORE ABOUT THE $25,000 LOAN.

AUGUSTA, Me., October 4, 1871.

MY DEAR MR. FISHER: You must have strangely misunderstood Mr. Caldwell's statement in regard to his paying me all but $2,500 of the $25,000 borrowed money which I loaned the company through him and you last January. Mr. Caldwell paid me in June $3,500, and in July $2,500 more accepting at the same time a draft for $2,500 July 10, ten days, which draft remains unpaid. I have therefore received but $6,000 from Mr. Caldwell, leaving $19,000 (besides interest) due me to-day.

For this $19,000 I am individually held, and, considering all the circumstances, I think you and Mr. Caldwell should regard it as an honorary debt, and you should not allow me to suffer for money which I raised under the peculiar circumstances attending this. It is a singularly hard and oppressive case, the features and facts of which are familiar to you and Mr. Caldwell. And then, again, I have been used with positive cruelty in regard to the bonds.

I have your positive written contract to deliver me $125,000 land bonds and $32,500 first mortgage bonds. The money due you on the contract was all paid nearly a year and a half ago. Of this whole amount of bonds due me I have received but $50,000 land grants, leaving $75,000 of those and $32,500 first mortgage still due. I know you are pressed and in trouble, and I don't wish to be too exacting; rather I wish to be very liberal in settlement.

Now I make this offer: Pay me the cash due on the borrowed money account; call it $19,000 in round numbers, and $40,000 land bonds, and we will call it square. Mr. Caldwell has repeatedly assured me that I should be paid all the bonds due me under contracts with you, and outside of that $20,000 due me from him. I now voluntarily offer to make a very large reduction if I can have the matter closed.

I am without doubt the only person who has paid money for bonds without receiving them, and I think you will agree with me that I have fared pretty roughly. It would be an immense, immeasurable relief to me if I could receive the money in time to pay off the indebtedness here within the next six weeks, so that I can go to Washington this winter with the load taken off my shoulders. It was placed there in the fullest faith and confidence that you and Mr. Caldwell would not let me suffer. I still cling to that faith and confidence. You will much oblige me by showing this letter to Mr. Caldwell.

Yours very truly, J. G. BLAINE.

W. Fisher, jr., Esq., Boston.

Observe that this letter says that $75,000 land bonds are still due from Fisher. The letter of June 14, 1871, and the subsequent letters of November 3, 1871, and April 13, 1872, said $70,000. Observe, also, that he speaks of $20,000 of bonds *due him* from Caldwell. This was one of the letters read by Mr. Blaine in the House. Mulligan testified (page 102) that the letter said that "he (Blaine) had received $55,000 of bonds from him (Fisher) and $20,000 from Caldwell on an outside matter." The difference is that by one reading of the letter there was $20,000 *due him* from Caldwell, by the other he had *already received* that amount from Caldwell.

THE COLLATERAL BONDS SOLD.

BOSTON, October 24, 1871.

MY DEAR BLAINE: Yesterday I received your favor of the 21st instant, to which I replied by telegram: "Mr. C. has not been in this city for four weeks. He is now in St. Louis."

I can get no information when Mr. Caldwell is to return; when he does, I will lay your letters before him. In the meantime I can say nothing in regard to the matter further than what I have heretofore told you—that Mr. Caldwell represented to me that he had paid for your account, and for which he has your receipts, all but $2,500 of the $25,000 which you loaned, and for which you received as collateral $50,000 of the Little Rock and Fort Smith land-grant bonds, which you since sold at 60 cents on the dollar, realizing therefor $30,000, leaving you now in advance of funds, even if Mr. Caldwell had paid you nothing.

I have heretofore advised you that I had been frequently importuned for the securities of the Northern Pacific Railroad, and as a last resort I had to surrender your obligation for the benefit of the parties in interest, who now say that after so long delay they will not take the securities, but require you to refund the money. I remain,

WARREN FISHER, JR.

WILLING TO RETAIN THE COLLATERAL BONDS IN SATISFACTION OF THE LOAN.

AUGUSTA, Me., Nov. 3, 1871.

MY DEAR MR. FISHER: I write Mr. Caldwell this day earnestly asking him to relieve me from the very pressing and painful embarrassment entailed upon me by raising the money I loaned to you and him last winter.

Mr. Caldwell has paid me $6,000; there remains $19,000 due, with considerable interest. There is due also to me, under contract with you, $70,000 land bonds and $32,000 first mortgage. Retaining in my possession the $50,000 land bonds as collateral to the note, there is still due me $20,000 land bonds and the first mortgage bonds $32,000. I have already made one proposition for settlement, to which I call Mr. Caldwell's attention. I must have the matter settled in some way, and at once. Pray communicate with me on the matter.

Sincerely yours, J. G. BLAINE.

W. Fisher, jr., esq.

P. S.—It is very important to me that I have some bonds next week. If you don't accept the proposition I have made, suppose you consider this: Let me retain the land bonds now in possession as satisfaction for loaned money, and you pay me the $70,000 land bonds and $32,000 1st mortgage due to me under the contract. I do not

make this proposition to be bound by it; I merely suggest it. But I must have the matter settled in some way quickly.

In this letter Mr. Blaine neither affirms nor denies that he has sold the collateral bonds, but expresses a willingness to retain them in satisfaction of the debt. It appears from the next letter that Fisher has heard that some bonds had been sold to parties in Washington, or otherwise disposed of.

BOSTON, November 4, 1871.

MY DEAR BLAINE: Your letter of the 3d inst. received. I hope Mr. Caldwell will respond to your request promptly and satisfactorily. I cannot say anything until I see Mr. Caldwell, who keeps out of the way of creditors, but probably he will call upon me soon. You have had more bonds than you state in your letter. If you have given any to parties at Washington, or disposed of them to others, it is no concern of mine, and, of course, must be accounted for in any settlement hereafter. I remain, Yours, &c., W. FISHER, JR.

SUFFERING AGONIES.

AUGUSTA, Me., 8th November, 1871.

MY DEAR MR. FISHER: I am pressed daily for the bonds, which up to this time I have never been able to deliver. Let me assure you that if I were suffering in this matter alone I would not bother you, but wait in silence the issue of events. But how can I do this with parties who have paid their money earnestly demanding of me the consideration promised by me, but which I am not able to give because I do not receive the bonds to which I am entitled by contract? I am ready to receive any kind of reasonable proposition you may make. It is not a question of money making with me. It is simply a question of saving my word with others. *I will sacrifice a great deal to get a settlement.* I feel assured of your friendly disposition toward me, and therefore I do not wish to seem importunate and troublesome; but if you knew the agonies I have suffered in this matter during the past six months you would pity me, I am sure, and make great efforts to relieve me. *Pray let me know what I am to expect.* Yours very sincerely, J. G. BLAINE.

Warren Fisher, jr., esq.

It appears from Mr. Blaine's letter of December 29, 1870, that he had agreed with the purchasers of the bonds in Maine, or some of them, that he would "make it right in the future," that is, that he had guaranteed the bonds, or the interest. It is probable that he told them as he told the public that he was buying the bonds on the same terms as other purchasers, When the road defaulted and he was called on to make good his guarantee there was ample ground for agonies.

"THE $100,000 BONDS YOU SOLD TO TOM SCOTT."

BOSTON, November 10, 1871.

MY DEAR BLAINE: I am in receipt of your favor of the 8th inst., from which I am led to infer that the contracts I made through you to your Eastern friends have not been fulfilled on my part; but such is not the fact, as I have delivered each and every one of them all the securities in accordance with the contracts, and they have surrendered to me my obligations. You are well aware of the condition of the road, and that you have received your full proportion of the bonds to which you were entitled under the Eastern contracts, when you consider the length of the road only completed. I think you can readily see that I can make no proposition further than as the road progresses to deliver you bonds in accordance. I know but little of your obligations to deliver bonds to others; but taking into account the $100,000 bonds you sold to Tom Scott and the amount of money you received on the Eastern contracts, our relative positions financially in the Little Rock and Fort Smith Railroad bear a wide contrast. Mr. Caldwell is here, but I have not seen him; still, I presume he has paid proper attention to your letter addressed to him.

I remain, with kind regards,

WARREN FISHER, JR.

CALLING FOR A GENERAL SETTLEMENT.

WASHINGTON, D. C., April 13, 1872.

MY DEAR MR. FISHER: I have your favor of the 12th. I am not prepared to pay any money just now in any direction, being so cramped and pressed that I am absolutely unable to do so. Please send me a copy of the notes of mine held by you with endorsed payments thereon.

I would have been glad, instead of a demand upon me for payment of notes, if you had proposed a general settlement of all matters between us that remain unadjusted. There is still due to me on articles of agreement between us $70,000 in land bonds and $31,000 in first-mortgage bonds, making $101,000 in all. For these bonds the money was paid you nearly three years ago, and every other party agreeing to take bonds on same basis has long since received its full quota. I alone am left hopeless and helpless, so far as I can see. Then there is the $25,000 which I borrowed and paid over, under your orders, to Mr. Pratt, for which I have received no pay. Mr. Caldwell paid me a small fraction of the amount, as I supposed, but he now says the money he paid me must be credited to another account on which he was my debtor, and that he denies all responsibility past, present, and future, on the $25,000 for payment of that he denies all responsibility, past, present, and future, on the $25,000, for payment of which I must, he says, look solely to you. I only know that I delivered the money to Mr. Pratt on your written order. I still owe the money in Maine, and am carrying the greater part of it at 8 per cent.—nearly $2,000 per annum steady draw on my resources, which are slender enough without this burden.

Still further: I left with Mr. Mulliken, January, 1871, $6,000 in land-grant bonds Union Pacific Railroad, to be exchanged for a like amount of Little Rock land bonds *with Mr. Caldwell*, he to change back when I desired. Mr. Caldwell declined to take them, and you took them without any negotiation with me or any authority from me in regard to the matter. You placed the Little Rock land bonds in the envelope, and I have the original envelope with Mr. Mulliken's endorsement thereon of the fact of the delivery to you. Now, I do not complain of your taking the bonds, provided you hold yourself bound to replace them. The worst of the whole matter was that the bonds were only a part mine, and I have had to make good the others to the original owner.

There are other matters to which I would refer, but my letter is already long.

I do not think, under the circumstances, it would be quite wise or kind in you to place any note or notes of mine that may happen to be in your possession in the hands of third parties as collateral.

In any event I ask as a simple favor that you will not do so, and that you will send me by return mail a copy of all obligations of mine in your possession.

Mrs. Blaine joins me in very kind regards to Mrs. Fisher and in the expression of the hope that you may have a pleasant and profitable tour in Europe. Sincerely yours, J. G. BLAINE.

Warren Fisher, jr., esq.

WORKING OFF BONDS THROUGH HIS POLITICAL POSITION.

BOSTON, April 15, 1872.

MY DEAR BLAINE: Your favor of the 13th inst. reached me this morning. I am surprised at its contents. I have loaned you at various times, when you were comparatively poor, very large sums of money, and never have you paid me one dollar from your own pocket, either principal or interest. I have paid sundry amounts to others to whom you were indebted, and these debts you have allowed to stand unpaid like the notes which I hold. I have placed you in positions whereby you have received very large sums of money without one dollar of expense to you, and you ought not to forget the act on my part. Of all the parties connected with the Little Rock and Fort Smith Railroad no one has been so fortunate as yourself in obtaining money out of it. You obtained subscriptions from your friends in Maine for the building of the Little Rock and Fort Smith Railroad. Out of their subscriptions you obtained a large amount both of bonds

and money free of cost to you. I have your own figures, and know the amount. Owing to your political position you were able to work off all your bonds at a very high price, and the fact is well known to others as well as myself. Would your friends in Maine be satisfied if they knew the facts? Are my associates satisfied to have you obtain $25,000 for Northern Pacific Railroad, and you not make the investment as per agreement? The course you have thought proper to take in regard to my request is rather a poor one, taking your relations with me, and I again ask you to reconsider and grant it. You will find it much easier to pay by obtaining the credit, and I selected that course, thinking it to be the best. If you again decline I shall be obliged to use the notes or sell them to outside purchasers. Necessity knows no law.

Whatever bonds still due to you will be delivered as the road progresses. The other portions of your letter I make no reply. You know the facts; it is sufficient that I know them, and it is useless to mention them at this time. Please answer at once. I remain, respectfully yours,

WARREN FISHER, JR.

This letter evidently refers again to the sale of bonds to Tom Scott. The expression "obtaining the credit" refers to a request by Mr. Fisher that Mr. Blaine would give him a letter of credit, to be drawn against by Mr. Fisher during a proposed European trip, Mr. Blaine being at the time indebted to Mr. Fisher for borrowed money, for which Mr. Fisher held Mr. Blaine's demand promissory note.

DID NOT KEEP THE MONEY FORTY-EIGHT HOURS.

WASHINGTON, D. C., April 18, 1872.

MY DEAR MR. FISHER: I answered you very hastily last evening, as you said you wished an immediate reply, and perhaps in my hurry I did not make myself fully understood.

You have been for some time laboring under a totally erroneous impression in regard to my results in the Fort Smith matter. The sales of bonds which you spoke of my making, and which you seem to have thought were for my own benefit, were entirely otherwise. I did not have the money in my possession forty-eight hours, but paid it over directly to the parties whom I tried by every means in my power to protect from loss. I am very sure that you have little idea of the labors, the losses, the efforts, and the sacrifices I have made within the past year to save those innocent persons who invested on my request from personal loss.

And I say to you to-night solemnly that I am immeasurably worse off than if I had never touched the Fort Smith matter.

The demand you make upon me now is one which I am entirely unable to comply with. *I cannot do it. It is not in my power.* You say that "necessity knows no law." That applies to me as well as to you, and when I have reached the point I am now at I simply fall back on that law. You are as well aware as I am that the bonds are due me under the contract. Could I have these, I could adjust many matters not now in my power, and so long as this and other matters remain unadjusted between us I do not recognize the equity or the lawfulness of your calling on me for a partial settlement. I am ready at any moment to make a full, fair, comprehensive settlement with you on the most liberal terms. I will not be exacting or captious or critical, but am ready and eager to make a broad and generous adjustment with you, and if we can't agree ourselves, we can select a mutual friend who can easily compromise all points of difference between us. You will, I trust, see that I am disposed to meet you in a spirit of friendly cordiality, and yet with a sense of self-defence that impels me to be frank and expose to you my pecuniary weakness. With very kind regards to Mrs. Fisher, I am yours truly, J. G. BLAINE.

W. Fisher, Esq.

This is obviously an acknowledgment of his working off bonds through his political position, and a suggestion that the money went to the parties in Maine whom he had guaranteed against loss.

NORTHERN PACIFIC AGAIN.

WASHINGTON, D. C., April 22, 1872.

MY DEAR MR. FISHER: Your brief note received. I do not know what you mean by my "not mentioning Northern Pacific and denying everything else."

You have my obligation to deliver to you a specified interest in Northern Pacific which I was to purchase for you, and in which I never had a penny's interest, direct or indirect. Some months ago you wrote me (twice) declaring that you would not receive the share, but demanding the return of the money. This was impossible, and I therefore could do nothing but wait.

Nothing I could write would make my obligation plainer than the memorandum you hold. Nothing you could write would change my obligation under that memorandum.

The matters between us are all perfectly plain and simple, and I am ready to settle them all comprehensively and liberally. I am not willing to settle those that benefit you and leave to the chances of the future those that benefit me.

I am willing to forego and give up a great deal for the sake of a friendly settlement, and I retain a copy of this letter as evidence of the spirit of the offer I make. I think, if we cannot settle ourselves, a friendly referenee would be the best channel, and I propose Mr. Ward Cheney, who stands nearer to you certainly than he does to me. If this name does not suit you, please suggest one yourself. Very sincerely yours,

J. G. BLAINE.

Warren Fisher, jr.

THE LETTER OF CREDIT.

WASHINGTON, April 26, 1872.

MY DEAR MR. FISHER: Yours of 24th received. There seems to be one great error of fact under which you are laboring in regard to my ability to comply with your request about the $10,000 letter of credit. I would gladly get it for you if I were able; but I have not the means. I have no power of getting a letter of credit from Jay Cooke except by paying the money for it, and the money I have not got, and have no means of getting it. You ask me to do, therefore, what is simply impossible. Nothing would give me more pleasure than to serve you if I were able; but my losses in the Fort Smith affair have entirely crippled me and deranged all my finances. You would, I know, be utterly amazed if you could see the precise experience I have had in that matter. Very bitter, I assure you. Among other things, I still owe nearly all of the $25,000 which I delivered to Mr. Pratt, and this is most harassing and embarrassing to me.

If you will give me the $76,500 of bonds which I propose to throw off as payment of the notes which you say I owe you, I will gladly get your $10,000 letter of credit; but if I release those bonds to you as I propose, you can do the same for yourself.

I am at a loss to know what you mean by your repeated phrase that "I have denied everything." What have I denied? I do not so much as understand what you mean, and would be glad to have you explain.

You reject the name of Ward Cheney as a friendly referee. Please suggest a name yourself of some one known to both of us. I mean for you to suggest a name in case you do not accept my basis of settlement proposed in my last letter preceding this. Yours very truly, J. G. BLAINE.

Warren Fisher, jr., Esq.

When do you propose to sail for Europe?

THE LAND BONDS TO BE CONSIDERED SURRENDERED IN PAYMENT OF THE $25,000 LOAN.

AUGUSTA, Maine, July 3, 1872.

MY DEAR MR. FISHER: I was detained far beyond my expectations in New York and Pennsylvania, being there quite a week. I was in Boston on Monday en route home, but I was so prostrated by the heat that I had no strength or energy to call on you.

It seems to me, as I review and recall our several conferences, that we ought not to have any trouble in coming to an easy adjustment, as follows: First, I am ready to fulfil the memorandum held by

you in regard to the Northern Pacific Railroad, as I always have been; second, you are ready to consider the land bonds in my possession as surrendered in payment of the debt to which they were originally held as collateral; third, I am ready to pay you the full amount of cash due you on memoranda held by you, provided you will pay me one-half the amount of bonds due me on memoranda held by me, the cash to be paid and the bonds to be delivered at same time. As to further sale of the share in Northern Pacific Railroad, that could be determined afterward. I am ready to do all in my power to oblige you in the matter.

If we can adjust the first and second points herein referred to, the third might be left, if you desire it, to the future.

Hitherto I have made all the propositions of settlement. If this is not acceptable to you, please submit your views of a fair basis in writing.

Sincerely yours, J. G. BLAINE.

Warren Fisher, jr., Esq.

In his speech of June 5, 1876, Mr. Blaine said that it was this $25,000 which he recovered through the courts of Arkansas. If he recovered it from the courts of Arkansas, what became of the collateral bonds? Was the debt paid twice? The award of the Court Commissioners makes no mention of any collateral security.

DIVIDENDS FROM SPENCER RIFLE CO., ETC.

[Personal.]

AUGUSTA, Maine, August 9, 1872.

MY DEAR MR. FISHER: On my return home yesterday I found your favor of 6th from Stonington, asking for my notes, $6,000, on account. It seems to me that a partial settlement of our matter would only lead to future trouble, or at all events to a mere postponement of our present difficulties.

I deem it highly desirable that we should have a conclusive and comprehensive settlement, and I have been eager for that these many months. The account which you stated June 20, 1872, does not correspond precisely with the reckoning I have made of my indebtedness on the note you hold. You credit me, April 26, 1869, with $12,500 dividend from Spencer Company; but there were two subsequent dividends, one of $3,750, the other of $5,800, of which no mention is made in your statement, though I received in June, 1870, your check for $2,700 or $2,800, which was a part of these dividends, I believe. I think my "cash memorandum" of June 25, 1869, for $2,500, with which you charge me, represented at the time a part of the dividends; but being debited with that, I am entitled to a credit of the dividend.

In other words, as I reckon it, there are dividends amounting to $9,550 due me, with interest since June, 1870, of which I have received only $2,700 or $2,800, entitling me thus to a credit of some $7,500.

Besides, the cash memorandum January 9, 1864, $600, which with interest amounts to $904 10, was obviously included in the consolidated note which was given to represent all my indebtedness to you and which you repeatedly assured me would be met and liquidated in good time by Spencer dividends. You will thus see that we differ materially as to the figures. Of course each of us is aiming at precisely the facts of the case, and if I am wrong, please correct me. I am sure that you do not desire me to pay a dollar that is not due, and I am equally sure that I am more than ready to pay every cent that I owe you.

The Little Rock matter is a perpetual and never-ending embarrassment to me. I am pressed daily almost to make final settlement with those who still hold the securities—a settlement I am not able to make until I receive the bonds due on your article of agreement with me. That is to me by far the most urgent and pressing of all the demands connected with our matters, and the one which I think in all equity should be first settled as soon as any.

If the $6,000 cash is so important to you, I would be glad to assist in raising the same for you on your notes, using Little Rock bonds as collateral at same rate they are used in Boston, four for one. I think I could get the money here on four or six months on these terms. If I had the money myself, I would be glad to advance it to you, but I am as dry as a contribution box, borrowing, indeed, to defray my campaign expenses.

Very sincerely yours,

J. G. BLAINE.

Warren Fisher, jr., Esq., Boston.

MORE ABOUT A SETTLEMENT WITH FISHER.

[Private and Personal.]

AUGUSTA, Maine, August 31, 1872.

MY DEAR MR. FISHER: I have been absent so much of late that I did not receive your last letter until it was several days old. When I last wrote you I was expecting to be in Boston on a political conference about this time, but I found it impossible to be there, and it is now impossible for me to leave here until after our election, which occurs Monday week, the 9th. I will try to meet you at the Parker House on the 10th or 11th, availing myself of the first possible moment for that purpose.

I cannot, however, allow a remark in your letter to pass without comment. You say that you have been trying to get a settlement with me for fifteen months; you have been trying to induce me to comply with certain demands which you made upon me, without taking into account any claims I have of a counter kind. This does not fill my idea of a settlement, for a settlement must include both sides. No person could be more anxious for a settlement than I am, and if upon our next interview we cannot reach one, why, then, we try other means.

But my judgment is that I shall make you so liberal an offer of settlement that you cannot possibly refuse it.

As one of the elements which I wish to take into account is the note of $10,000 given you in 1863 for Spencer stock, I desire that you will furnish me with the items of interest on that note. My impression is that when that note was consolidated into the large note, which you still hold, that you did not charge me full interest, possibly omitting one or two years.

I will be obliged if you will give me information on this point, for I intend to submit to you a full and explicit basis of settlement, and in making it up it is necessary that I should have this information. Please send it as promptly as you may be able to give it to me.

In haste, very truly yours,

J. G. BLAINE.

Warren Fisher, jr., Esq.

BURN THIS LETTER.

[Confidential.]

WASH'TN, D. C., 16th April, 1876.

MY DEAR MR. FISHER: You can do me a very great favor, and I know it will give you pleasure to do so—just as I would do for you under similar circumstances. Certain persons and papers are trying to throw mud at me to injure my candidacy before the Cincinnati Convention, and you may observe they are trying it in connection with the Little Rock and Fort Smith matter.

I want you to send me a letter such as the enclosed draft. You will receive this to-morrow (Monday) evening, and it will be a favor I shall never forget if you will at once write me the letter and mail the same evening.

The letter is strictly true, is honorable to you and to me, and will stop the mouths of slanderers at once.

Regard this letter as strictly confidential. Do not show it to any one. The draft is in the hands of my clerk, who is as trustworthy as any man can be. If you can't get the letter written in season for the 9 o'clock mail to New York, please be sure to mail it during the night so that it will start first mail Tuesday morning, *but if possible, I pray you to get it in the 9 o'clock mail Monday evening.* Kind regards to Mrs. Fisher. Sincerely, J. G. B.

[Burn this letter.]

[Endorsed on the back.]

Not knowing your exact address I send this to the Parker House in order that it may [not] be subjected to any danger in the hands of a carrier.

J. G. B.

The Western Union Telegraph Company.
Dated WASHINGTON, D. C., 1876.
Received at 9:44, April 16.
TO WARREN FISHER, COMMONWEALTH HOTEL:
Please go Parker House to-morrow, Monday evening; on arrival morning mail from New York, find letter. Answer by return mail.
19 D. H. J. G. BLAINE.
xsm.

The following is the enclosure referred to in the preceding letter:

BOSTON, April —, 1876.
The Hon. James G. Blaine, Washington, D. C.

DEAR SIR: I observe that certain newspapers are making or rather insinuating the absurd charge that you own or had owned $150,000 of Little Rock and Fort Smith Railroad bonds, and that you had in some way obtained them as a gratuity.

The enterprise of building the Little Rock and Fort Smith Railroad was undertaken in 1869 by a company of Boston gentlemen, of whom I was myself one. The bonds of the road were put upon the market in this city on what was deemed very advantageous terms to the purchaser. They were sold largely through myself. You became the purchaser of about $30,000 of the bonds on precisely the same terms that every other buyer received, paying for them in instalments, running over a considerable period, just as others did. The transaction was perfectly open, and there was no more secrecy in regard to it than if you had been buying flour or sugar. I am sure you never owned a bond of the road that you did not pay for at the market rate. Indeed, I am sure that no one received bonds on any other terms.

When the road got into financial difficulties and loss fell upon you, you still retained your bonds, and you held them clear through to the reorganization of the company in 1874, exchanging them for stock and bonds of the new company.

You acquired also some demands against the new company by reason of your having joined with others in raising some money when the company was in pressing need. For the recovery of that money proceedings are now pending in the United States Circuit Court in Arkansas, to which you are openly a party of record. Concealment of the investment and everything connected with it would have been very easy had concealment been desirable; but your action in the whole matter was as open and as fair as the day. When the original enterprise failed, I knew with what severity the pecuniary loss fell upon you, and with what integrity and nerve you met it. Years having since elapsed, it seems rather hard at this late day to be compelled to meet a slander in a matter where your conduct was in the highest degree honorable and straightforward.

You may use this letter in any way that will be of service to you. Very sincerely yours,

W. F., JR.

The words "Indeed, I am sure that no one received bonds on any other terms" were interlined in foregoing letter in Mr. Blaine's own handwriting.